

Congressional Record

SEVENTY-THIRD CONGRESS, SECOND SESSION

SENATE

TUESDAY, JANUARY 23, 1934

The Chaplain, Rev. Z. Barney T. Phillips, D.D., offered the following prayer:

Gracious art Thou, O Lord, and full of compassion to the children of men: Wherefore do Thou blot out our transgressions and remember no more our iniquities. Manifest Thyself to us; show us the way in which we should walk, and lift our hearts above our failure and bewilderment, our ignorance and sin, unto Thy perfection.

O Thou ever-living, ever-present Christ, well-beloved of Thy Father, open our eyes that we may see Thee as Thou art; help us so to know Thee that we may love Thee, so to love Thee that we may grow more like Thee, so to follow Thee that through us others may know Thee and find in Thee their hope and joy.

Master of all good workmen, sanctify to each one of us this fellowship of kindred aims, that when the evening comes each mordant note shall have died away and the benediction of Thy pierced hands shall bring peace and perfect harmony to our troubled world. Amen.

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal for the calendar days of Friday, January 19, and Monday, January 22, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the bill (S. 2284) relating to contracts and agreements under the Agricultural Adjustment Act.

CALL OF THE ROLL

Mr. ROBINSON of Arkansas. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	Johnson	Robinson, Ark.
Ashurst	Couzens	Kean	Robinson, Ind.
Austin	Cutting	Keyes	Russell
Bachman	Davis	King	Schall
Bailey	Dickinson	La Follette	Sheppard
Bankhead	Dieterich	Lewis	Shipstead
Barbour	Dill	Logan	Smith
Barkley	Duffy	Loneragan	Steiwer
Black	Erickson	McAdoo	Stephens
Bone	Fess	McCarran	Thomas, Utah
Borah	Fletcher	McGill	Thompson
Brown	Frazier	McKellar	Townsend
Bulkeley	George	McNary	Trammell
Bulow	Gibson	Murphy	Tydings
Byrd	Glass	Neely	Vandenberg
Byrnes	Goldsborough	Norris	Van Nuys
Capper	Gore	Nye	Wagner
Caraway	Hale	O'Mahoney	Walcott
Carey	Harrison	Overton	Walsh
Clark	Hastings	Patterson	Wheeler
Connally	Hatch	Pittman	White
Coolidge	Hatfield	Pope	
Copeland	Hayden	Reynolds	

Mr. FESS. I desire to announce that the senior Senator from Rhode Island [Mr. METCALF], the junior Senator from Rhode Island [Mr. HEBERT], the Senator from South Dakota [Mr. NORBECK], and the Senator from Pennsylvania [Mr. REED] are necessarily absent from the Senate.

Mr. LEWIS. I desire to announce that the Senator from Oklahoma [Mr. THOMAS] is necessarily detained from the Senate by illness. I ask that this announcement may stand for the day.

I desire to announce further that the Senator from Louisiana [Mr. LONG] is necessarily detained. I also ask that this announcement may stand for the day.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present.

MONTHLY REPORT OF FEDERAL EMERGENCY RELIEF ADMINISTRATION

The VICE PRESIDENT laid before the Senate a letter from the secretary of the Federal Emergency Relief Administration transmitting, pursuant to law, the report of the Federal Emergency Relief Administrator covering the period of November 1 to November 30, 1933, which, with the accompanying report, was ordered to lie on the table.

REPORT OF THE FEDERAL POWER COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Power Commission transmitting, pursuant to law, the thirteenth annual report of the Commission for the fiscal year ended June 30, 1933, also a statement showing the names, titles, and compensations of the members and employees of the Commission as of June 30, 1933, which, with the accompanying documents, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of South Carolina, which was referred to the Committee on Commerce:

A concurrent resolution memorializing the Federal Government, through the Federal Public Works Administration, to undertake the development of the Santee Cooper River hydroelectric and navigation project, and urging its relation to the national plan of recovery now under way

Whereas it has been determined by competent authority that the project known as the Santee Cooper River hydroelectric and navigation project is feasible, both from an engineering and economic standpoint; and

Whereas it is believed that this project is of no less practical value when the relative costs are considered than the project known as the Tennessee Valley Authority; and

Whereas it is thought that the development of this project at this time affords the Federal Government a useful and worthy means of contributing to economic recovery in that—

(a) It is estimated that this development will afford 7,000 persons useful employment over a period of 3 years.

(b) It will subject to the useful needs of man the waters of a mighty stream that now "runs wanton to the sea."

(c) It will provide power, heat, and light for a vast number of citizens of this State and Nation at a minimum rate of charge by reason of the natural advantages of the project due to the constancy and volume of the stream and the topography of the country through which it runs.

(d) It will be the means of bringing industry in this State, thereby affording opportunities for work in normal periods of natural life for a large number of our people.

(e) It will afford untold advantages of navigation, giving our people a competitive water rate from the seaboard to the interior: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Federal Government, through the Federal Public Works Administration, be urged to undertake this development of the project known as the Santee Cooper River hydroelectric and navigation project, preferably as a Federal project, that its wonderful advantages and possibilities be given due consideration, and that especial attention be called at this time to the Federal Government to the manner in which this opportunity of development may become related to and contribute to the determined efforts of our great President to bring about national recovery and to set up an order of economy that will give each and every

citizen an opportunity to achieve contentment and happiness; and be it further

Resolved, That a copy of this resolution be forwarded to each United States Senator and Member of Congress from this State, and to the clerks of the respective branches of the Congress.

IN THE HOUSE OF REPRESENTATIVES,
Columbia, S.C., January 22, 1934.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the house of representatives and concurred in by the senate.

[SEAL]

J. WILSON GIBBES,
Clerk of the House.

The VICE PRESIDENT also laid before the Senate the petition of Pilchuck Tribe, No. 42, Improved Order of Red Men, of Everett, Wash., praying that certain forest areas suitable for recreational purposes be withdrawn from sale until a survey is completed of such areas, which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution adopted by N.R.A. Lodge, No. 91, American Federation of Government Employees, favoring the immediate restoration of the 15-percent pay cut of Federal employees, which was referred to the Committee on Appropriations.

He also laid before the Senate the petition of Mr. and Mrs. Mader, of Carrick, Pa., praying for the adoption of the silver monetary standard, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a letter in the nature of a petition from Mme. Anita de R. Koster, of New York City, N.Y., praying for the passage of the bill (H.R. 6976) to protect the currency system of the United States, to provide for the better use of the monetary gold stock of the United States, and for other purposes, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution of the Amalgamated Labor League, of Norfolk, Va., favoring the passage of legislation providing governmental insurance against unemployment and adequate compensation of those adversely affected thereby, which was referred to the Committee on Education and Labor.

He also laid before the Senate a petition of sundry citizens of Los Angeles, Calif., favoring the passage of soldiers' bonus legislation, such bonus to be paid by bonded scrip, non-interest bearing, backed by the United States, to be used as money which can be called by the Government within 13 years, etc., which was referred to the Committee on Finance.

He also laid before the Senate a letter from A. J. Alger, president of the New Age Fellowship, of San Francisco, Calif., submitting a plan looking toward national economic recovery, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the regional conference of the National Woman's Party of the Middle Atlantic States at Harrisburg, Pa., favoring the adoption of an amendment to the Constitution providing equal rights for men and women, which was referred to the Committee on the Judiciary.

He also laid before the Senate papers in the nature of petitions of citizens of North and South Carolina, praying for the passage of legislation providing old-age pensions, which were referred to the Committee on Pensions.

Mr. ROBINSON of Arkansas presented a letter from George H. Williams, of St. Louis, Mo., suggesting the adoption of a standing order providing for the sending of two copies of the daily CONGRESSIONAL RECORD to former Members of the Senate, which was referred to the Committee on Printing.

Mr. CAPPER presented a petition of sundry citizens of Bremen, Kans., praying for the passage of the so-called "Frazier farm refinancing bill", which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of sundry citizens of Bremen, Kans., praying for the passage of legislation requiring packers to buy hogs through open competitive terminal markets, which was referred to the Committee on Agriculture and Forestry.

Mr. ADAMS presented the following joint memorial of the Legislature of the State of Colorado, which was referred to the Committee on Banking and Currency:

House Joint Memorial No. 4

Approving the creation and establishment of an additional Federal land-bank district comprising the States of New Mexico, Colorado, and Wyoming (by Representatives Twining and McDonald)

Whereas the State of Colorado is now included in the ninth Federal land-bank district with headquarters at Wichita, Kans.; and

Whereas there has been continued dissatisfaction with the administration of the affairs of the said Federal land bank at Wichita, insofar as it concerns the granting of loans to citizens of Colorado; and

Whereas said bank has failed to function properly during the emergency, and its personnel is made up of men unfamiliar with the problems of irrigation, ranching, and farming peculiar to the Rocky Mountain region; and

Whereas a reorganization of said bank has recently been made which in no way remedies the situation; and

Whereas the Honorable ROBERT D. CAREY, Senator from the State of Wyoming, has introduced a bill into the Congress for the creation and establishment of an additional Federal land-bank district comprising the States of New Mexico, Colorado, and Wyoming, the said bill being sponsored by the Honorable ALVA B. ADAMS and the Honorable BRONSON CUTTING, Senator from New Mexico: Now, therefore, be it

Resolved by the house of representatives of the twenty-ninth general assembly (the senate concurring herein), That it expresses its hearty approval of the said Carey bill and respectfully requests and urges its passage, in order that the existing unsatisfactory conditions with respect to the interests of Colorado may be overcome; and be it further

Resolved, That copies of this memorial be forwarded to the Members of the Senate and House of Representatives of the Congress of the United States from this State, with the request that they give it their support and approval; and that copies hereof be sent to Senators CAREY and CUTTING.

W. H. TWINING,
Speaker of the House of Representatives.
RAY H. TALBOT,
President of the Senate.

REPORT OF THE BANKING AND CURRENCY COMMITTEE—UNITED STATES MONETARY SYSTEM

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (H.R. 6976) to protect the currency system of the United States, to provide for the better use of the monetary gold stock of the United States, and for other purposes, reported it with amendments and submitted a report (No. 201) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

A bill (S. 2452) authorizing the President of the United States to appoint Sgt. Alvin C. York as a major in the United States Army and then place him on the retired list; to the Committee on Military Affairs.

A bill (S. 2453) for the relief of Drew N. Keever; to the Committee on Claims.

By Mr. PATTERSON:

A bill (S. 2454) for the relief of Arthur W. Adams; and

A bill (S. 2455) to increase the efficiency of the Medical Corps of the Regular Army; to the Committee on Military Affairs.

A bill (S. 2456) granting a pension to Virginia J. Potter; and

A bill (S. 2457) granting a pension to E. Jane Spencer; to the Committee on Pensions.

By Mr. DICKINSON:

A bill (S. 2458) for the relief of Howard D. Peckham; to the Committee on Claims.

A bill (S. 2459) for the relief of John C. Harker; to the Committee on Military Affairs.

By Mr. ASHURST (by request):

A bill (S. 2460) to limit the operation of statutes of limitations in certain cases; and

A bill (S. 2461) to amend an act entitled "An act to give the Supreme Court of the United States authority to prescribe rules of practice and procedure with respect to proceedings in criminal cases after verdict"; to the Committee on the Judiciary.

By Mr. POPE:

A bill (S. 2462) relating to loans by the Reconstruction Finance Corporation in connection with agricultural-improvement projects; to the Committee on Agriculture and Forestry.

A bill (S. 2463) to amend subsection J of section 4 of the act of December 5, 1924 (43 Stat. 701-704); and

A bill (S. 2464) for the relief of the owners of lots in the unflooded portion of the old town site at American Falls, Idaho; to the Committee on Irrigation and Reclamation.

By Mr. KING:

A bill (S. 2465) to amend the act of March 4, 1933 (relating to the regulation of banking in the District of Columbia); to the Committee on the District of Columbia.

By Mr. KEAN:

A bill (S. 2466) to lease a portion of the Fort Hancock Military Reservation to the State of New Jersey; to the Committee on Military Affairs.

By Mr. FLETCHER:

A bill (S. 2467) for the relief of Ammon McClellan; to the Committee on Claims.

A bill (S. 2468) granting a pension to Ida Miller; to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 2469) granting a pension to Gertrude T. Black; to the Committee on Pensions.

By Mr. DILL:

A bill (S. 2470) for the relief of Erik Nylin; to the Committee on Claims.

By Mr. McADOO:

A bill (S. 2471) to authorize the Reconstruction Finance Corporation to adjust interest rates and maturities on obligations arising under subsection (a) of section 201 of Emergency Relief and Construction Act of 1932 held by it, and for other purposes; to the Committee on Banking and Currency.

By Mr. LOGAN:

A bill (S. 2472) extending the classified civil service to include special-delivery messengers; to the Committee on Post Offices and Post Roads.

FIELD SERVICE POSITIONS OF HOME OWNERS' LOAN CORPORATION

Mr. DICKINSON. Mr. President, I ask unanimous consent for the present consideration of Senate Resolutions 132, 133, 134, 135, and 136, which are lying on the table. These are the resolutions which were submitted to the Senator from Arkansas [Mr. ROBINSON] some days ago and have reference to the number of persons employed in various governmental activities.

The PRESIDING OFFICER (Mr. HARRISON in the chair). Is there objection to the request of the Senator from Iowa?

Mr. ROBINSON of Arkansas. I suggest that the Senator proceed separately with the resolutions.

Mr. DICKINSON. Yes; they will have to be taken up separately.

Mr. ROBINSON of Arkansas. What resolution does the Senator now desire to consider?

Mr. DICKINSON. Senate Resolution 132.

Mr. ROBINSON of Arkansas. That is the resolution calling on the Home Owners' Loan Corporation for information with reference to the number of persons employed in the field service in each salary grade, segregated by States, together with the names and addresses of all persons receiving in excess of \$2,000 in each State?

Mr. DICKINSON. Yes.

Mr. ROBINSON of Arkansas. I have no objection to the consideration of the resolution.

There being no objection, the resolution (S.Res. 132) submitted by Mr. DICKINSON on the 12th instant was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Home Owners' Loan Corporation send to the Secretary of the Senate the following information, to wit: Number of all persons employed in the field service in each salary grade, segregated by States, together with the names and addresses of all persons receiving in excess of \$2,000 in each State.

FIELD SERVICE POSITIONS OF CIVIL WORKS ADMINISTRATION

The PRESIDING OFFICER. The next resolution for which the Senator from Iowa asks consideration will be read.

The resolution (S.Res. 133) submitted by Mr. DICKINSON on the 12th instant was read, as follows:

Resolved, That the Civil Works Administration send to the Secretary of the Senate the following information, to wit:

Number of all persons employed in the field service in each salary grade, segregated by States, together with the names and addresses of all persons receiving in excess of \$2,000 in each State.

Mr. ROBINSON of Arkansas. As I understand, this resolution calls for information analogous to that embraced in Senate Resolution 132 which had reference to the Home Owners' Loan Corporation, while the pending resolution has to do with the Civil Works Administration.

Mr. DICKINSON. That is correct.

Mr. ROBINSON of Arkansas. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

FIELD SERVICE POSITIONS OF AGRICULTURAL ADJUSTMENT ADMINISTRATION

The PRESIDING OFFICER. The Senator from Iowa asks unanimous consent for the consideration of another resolution, which will be read.

The resolution (S. Res. 134) submitted by Mr. DICKINSON on the 12th instant was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Agricultural Adjustment Administration send to the Secretary of the Senate the following information, to wit: Number of all persons employed in the field service in each salary grade, segregated by States, together with the names and addresses of all persons receiving in excess of \$2,000 in each State.

FIELD SERVICE POSITIONS OF FARM CREDIT ADMINISTRATION

The PRESIDING OFFICER. The next resolution which the Senator from Iowa asks to have considered will be read.

The resolution (S.Res. 135) submitted by Mr. DICKINSON on the 12th instant was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Farm Credit Administration send to the Secretary of the Senate the following information, to wit: Number of all persons employed in the field service in each salary grade, segregated by States, together with the names and addresses of all persons receiving in excess of \$2,000 in each State.

FIELD-SERVICE POSITIONS OF PUBLIC WORKS ADMINISTRATION

The PRESIDING OFFICER. The last resolution which the Senator from Iowa desires considered will be read.

The resolution (S.Res. 136) submitted by Mr. DICKINSON on the 12th instant was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Public Works Administration send to the Secretary of the Senate the following information, to wit: Number of all persons employed in the field service in each salary grade, segregated by States, together with the names and addresses of all persons receiving in excess of \$2,000 in each State.

"A NEW MONETARY PROGRAM FOR THE NATION"—ARTICLE BY CHARLES MERZ

Mr. COSTIGAN. Mr. President, out of order, I ask unanimous consent to insert in the RECORD an instructive article by the prominent journalist, Charles Merz, on A New Monetary Program for the Nation. The article appeared in the New York Times of January 21, 1934.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 21, 1934]

A NEW MONETARY PROGRAM FOR THE NATION—THE FIVE MAIN POINTS OF THE ROOSEVELT PLAN, THE PURPOSES BEHIND THE PROPOSALS TO CONGRESS, AND THE DEBATE THEY HAVE AROUSED

By Charles Merz

The dramatic events of the last week have shaped a new monetary program for the United States. It is embodied in a bill drawn under the President's direction and now pending before Congress. At five important points this measure proposes to change the existing situation:

1. It would fix the limits for devaluation of the American dollar at from 50 to 80 cents in terms of its present gold value.
2. Within these limits it would authorize the President to manage the dollar by making such changes in its value as he finds necessary in order to stabilize domestic prices or to protect American foreign trade.
3. It would impound in the Treasury the vast stocks of gold now held by the Federal Reserve banks and assure to the Government whatever profit may result from an increase in the dollar value of this metal.
4. It would use part of this profit to create a stabilization fund of \$2,000,000,000 which could be used by the Treasury for

the purchase of gold, foreign currencies, and the securities of the United States Government itself.

5. It would provide ultimately for the return of the United States to a new and modified gold standard.

The present article is devoted to a discussion of these five points, to the debate they have aroused, and to their line of descent from the chief policies hitherto advocated by the Roosevelt administration.

I. DEVALUATION

If we begin with devaluation, let us first note that it does not involve any change in the appearance or relationship of the different coins and bills with which we are familiar. Whether the dollar is worth 50 cents or 60 cents or something in between, it will continue to represent 10 dimes, 20 nickels, 100 pennies. Physically it will be precisely the same dollar we now have in our pockets.

What will be changed, in case of devaluation, is the legal weight of the dollar in terms of gold. This weight is now set at 23.22 grains of fine gold. As long ago as last May Congress gave the President power to reduce this figure by as much as 50 percent. The new factor introduced last week is the proposal that the weight be fixed at no more than 60 percent in case of devaluation. Existing law gives the President his choice of any figure between 50 percent and 100 percent. The plan now before Congress would limit this choice to the narrower range of from 50 percent to 60.

Purpose of reduction

What is the purpose of reducing the gold content of the dollar to either 50 or 60 percent, when the public is at present forbidden to possess gold and when, as we shall note, the President actually proposes to stop coining it in future? The administration is acting on the belief that by reducing the theoretical gold content of the dollar it can increase prices of goods the dollar buys. Wheat is exchanged for dollars and dollars for wheat. If the dollar grows cheaper through reduction of its intrinsic value measured in gold or in foreign currencies, then (it is argued) more of the cheaper dollars will be needed to buy the same quantity of wheat and the price of wheat will rise.

There is considerable agreement, even on the part of those who are skeptical of the theory in its broader applications, that this is likely to happen in the case of certain commodities of particular importance to foreign trade. Thus, Dr. O. M. W. Sprague, formerly financial adviser to the Treasury, and more recently a critic of the plan for devaluation, agreed (in one of his articles published in the *Times*) that prices of goods exported or imported in large quantities are "directly responsive to changes in the value of the dollar as measured in foreign currencies." As the dollar falls in terms of British pounds, increasing the relative value of the latter, the price of cotton shipped to England tends to rise.

The trend of prices

That this has actually happened in the case of a number of commodities is suggested by the chart at the top of the page. The black line indicates daily fluctuations in the price of gold, measured in terms of dollars, during the last 3 months. The dotted line shows daily variations in Moody's index of the average price of 15 staple commodities: cotton, wheat, corn, wool, hogs, hides, sugar, coffee, cocoa, silk, rubber, copper, silver, steel scrap, and lead.

Most of these commodities are important either as exports or as imports. The index is therefore highly sensitive to dollar fluctuations. The chart shows the result. With considerable regularity the two lines follow the same course. When the price of gold rises—in other words, when the dollar falls in terms of gold—the average price of these commodities also rises. It falls with a decline in the price of gold; that is, with a gain in the value of the dollar.

Many critics of the legislation pending before Congress argue that here the matter ends. They do not believe that depreciation of the dollar has had, or is likely to have in future, a decisive influence in determining the prices of other commodities than those which are important in foreign trade.

An apparent discrepancy

They point out that while the dollar has fallen about 33 percent since the suspension of the gold standard by the United States last April the average of a long list of 784 commodities computed weekly by the Bureau of Labor Statistics has risen by less than 18 percent. They believe, moreover, that much of this rise is due to other influences than dollar depreciation. They call for a currency that will be stable in terms of gold and much closer to its present legal parity than 50 or 60 percent.

On the other side, and apparently in a majority in Congress, are the advocates of devaluation. They believe that England's departure from the gold standard checked the decline of prices in that country more than a year before the same result was achieved in the United States. They foresee a continuing rise of prices as the reduction in the gold value of the American dollar gradually makes its full influence felt. They believe that this rise will include, less directly, but inevitably, prices of other commodities than those exchanged in foreign trade. And they believe that such a rise is necessary in order to improve farm purchasing power, enable goods to be sold at a larger profit, and make possible the payment of domestic debts more nearly at the price level at which they were incurred.

II. MANAGEMENT

In the proposal to fix the gold content of the dollar somewhere between 50 and 60 percent of its present weight, the precise figure

would be determined by the President. Why is he given this discretion?

Two reasons are offered by the authors of the plan. First, the President believes that because of world uncertainties it is not desirable in the public interest that an exact value be now fixed. There are negotiations to be undertaken with foreign nations necessarily concerned with the effect which the value of our currency may have on their own foreign trade. There are large elements of uncertainty in our domestic price structure. The President is not yet prepared to recommend a precise figure, and urges Congress to give him a margin of 10 points within which to turn around.

The second reason for this proposed grant of discretionary power inside the 10-point limit is that Mr. Roosevelt retains his faith in the wisdom of a managed currency. In various statements on monetary policy made since he entered office, he has said that he seeks "the kind of dollar which a generation hence will have the same purchasing and debt-paying power as the dollar value we hope to attain in the near future." In other words, having once achieved a satisfactory price level, he would attempt to maintain it—avoiding violent fluctuations either toward higher or toward lower levels, with consequent booms or depressions.

It is plainly with this goal in view that the plan now before Congress proposes to give the President power (within the limits of a 50- to 60-percent value) to alter the gold content of the dollar from time to time * * * whenever and as the expressed objects of this section in his judgment may require. The significance of these words becomes apparent when it is noted that the first of the expressed objects is to stabilize domestic prices.

The process visualized

Under this grant of power the President could attempt to stabilize domestic prices by altering from time to time the gold content of the dollar—always within the 10-point margin specified. If prices began to fall he could endeavor to check the decline by reducing the number of grains in the theoretical gold dollar, thereby making it less desirable in terms of wheat and cotton, and thereby (at least in theory) rallying the prices of these and other commodities. If, on the other hand, commodity prices threatened to rise too rapidly, he could reverse this process.

The difference between a 50-cent dollar and a 60-cent dollar may seem comparatively slight, but is actually a difference of 20 percent. This is a much larger figure than appears in the variation of commodity prices during more normal times than those we have witnessed recently. In the 7 years intervening between midsummer of 1922, when the first post-war deflation was completed, and midsummer of 1929, on the eve of the stock-market panic, the lowest monthly average of commodity prices ever computed by the Bureau of Labor Statistics was 94.1 in June 1927, and the highest was 104.5 in March 1923, and again in November 1925.

There is a spread of only 11 percent between these top and bottom figures. This is considerably less than the 20-percent variation in the gold content of the dollar which the plan before Congress leaves within the discretion of the President.

By giving him explicit power to vary the weight of the dollar from time to time the plan gives him for the first time explicit authority (which he may or may not use) to experiment with a currency so managed as to achieve stability in terms of commodities.

III. IMPOUNDING GOLD

In the President's judgment it is necessary, in order to maintain a proper relationship between currency and prices, for the Government to be the sole custodian and owner of the base or reserve of precious metals underlying its currency. This leads us to the third point in the program now before Congress, namely, the impounding within the Treasury of the Nation's entire stock of monetary gold.

At the present time this stock, amounting in round numbers to \$4,323,000,000, is distributed as follows. There is in the Treasury \$446,000,000; the Federal Reserve banks hold \$3,566,000,000; there is in circulation \$311,000,000.

The Treasury's gold consists chiefly of coin and bullion held in trust or in reserve against gold certificates, United States notes, and Treasury notes of 1890. The Federal Reserve banks' gold is pledged (to the extent of about two thirds of the total sum) against notes issued by the Reserve System. The \$311,000,000 technically classified as "in circulation" includes not only whatever amounts of gold are now in hoarding but also whatever amounts have been lost, destroyed, or sent abroad without knowledge of public authorities over a long period of years. The figure of \$311,000,000 is simply the arithmetical difference between the total amount of gold known to have been coined in this country or imported and the total amount either sent abroad through regular channels or at present in the hands of the Treasury and the Federal Reserve System.

Transfer to the Treasury

The proposal now made, in the plan before Congress, is to transfer to the United States the ownership and possession of the very large amount of gold held by the Reserve banks. There is a difference of opinion concerning the ethics of this action. It is described by some Members of Congress as theft by the Government of something which does not belong to it. Many other Members defend the plan, insisting that the Nation's gold belongs more properly to the public as a whole than to the Reserve banks and that nothing is now proposed which would alter the assets of these banks in relation to their liabilities. It is significant that Governor Black of the Federal Reserve Board has expressed

the opinion that any enhancement of the value of the gold "arising solely through such monetary policy of the Government should inure to the Government."

The actual mechanics of taking over the gold would be as follows:

It would gradually be transferred physically to the Treasury's vaults in Washington, to the mints in San Francisco, Denver, and Philadelphia, and to the assay office in New York and elsewhere. (Part of it is already in these institutions, held there in safekeeping for the Federal Reserve banks.)

As the gold was transferred, payments for it would be made with gold certificates issued by the Treasury. But these certificates would not continue to be precisely what they are today—essentially warehouse receipts for the metal. Once the Federal Reserve banks had surrendered their gold, they could reclaim only such amounts of it (on presentation of their certificates) as were judged by the Secretary of the Treasury to be necessary to maintain the equal purchasing power of every kind of currency of the United States.

Position of the Reserve System

The transaction would not alter the position of the Reserve System. For the gold it turns in, it would receive certificates secured at all times, dollar for dollar, by gold in the Treasury. These certificates could be used as a backing for its own notes, and neither its liabilities nor its assets would be altered. Nor would its present power to issue additional notes be curtailed. The bill before Congress specifically amends existing law, in order to authorize the reserve banks to maintain reserves against their notes in gold certificates rather than in gold.

At the end of the process the reserve banks would have the certificates; the Government would have the gold. It is evident that, in case of devaluation, the Government would reap a profit from its ownership of the metal. For the dollar value of gold would be increased by a reduction in the amount of gold theoretically contained in each dollar unit. The plan before Congress expressly reserves this profit to the Government—at the same time casting upon the Government any potential loss which might subsequently be incurred through any decision to increase the gold content of the dollar.

With the gold now held by the reserve banks added to its own stock, the Treasury would have about \$4,000,000,000. Devaluation to a 60-cent dollar would yield, in round numbers, a profit of \$2,667,000,000. On the basis of a 50-cent dollar the profit would be \$4,000,000,000.

IV. STABILIZATION

Out of this potential profit—to be realized when devaluation at a precise figure is formally proclaimed by the President—comes the fourth important change proposed last week: The creation of a stabilization fund amounting to \$2,000,000,000.

The manner in which this fund would be managed is described in the pending measure. It would be used, within the discretion of the Secretary of the Treasury, for the purchase or sale, at home or abroad, of gold and foreign exchange, and such other instruments of credit or security as he may deem necessary * * * for the purpose of stabilizing the exchange value of the dollar at whatever figure might be decided upon by the President as the proper point for devaluation.

This purpose is similar to that which Great Britain seeks to accomplish through the manipulation of an equalization fund amounting, at present rates of exchange, to about \$1,750,000,000. Great Britain has not formally devalued the pound; but there is a range within which the British Government desires to keep it, well below par, for the benefit of British foreign trade and the support of domestic prices.

Whenever the pound threatens to rise above the desired range, the managers of the equalization fund sell pounds for gold or foreign money, in order to depress the value of British currency in terms of foreign exchange. Whenever the pound threatens to fall below the desired range, the managers of the fund reverse this process.

Government securities

The bill proposing to establish our own fund is broadly enough drawn to authorize purchases not only of gold and of foreign currencies, but also of bonds of the United States Government. Such purchases may be made if they are regarded by the Secretary of the Treasury as essential to the stabilization of the dollar.

The President has estimated that within the next 6 months the Government will need to borrow \$10,000,000,000, of which \$6,000,000,000 is needed to cover new expenditures and \$4,000,000,000 to redeem maturing obligations. Borrowing on this scale may tend to depress the value of Government bonds. Under the proposed plan, the Treasury would have power to support the market for its own securities, provided devaluation occurred at an early enough date to bring the stabilization fund into existence while the Government was still borrowing heavily.

Either a profit or a loss might result, of course, from the operation of the fund, depending upon the appreciation or depreciation of such securities and foreign exchange as the Treasury might purchase. The plan before Congress calls for an annual audit of the fund and a report to be submitted to the President.

V. NEW GOLD STANDARD

Finally, while a large part of the potential profit of devaluation would be utilized in the first instance in this manner, what would become of the actual gold taken over by the Treasury?

The plan provides that it shall be withdrawn from circulation and, together with all other gold owned by the United States,

shall be formed into bars of such weights and degrees of fineness as the Secretary of the Treasury may direct. There would be no more eagles, double eagles, and half eagles. No gold shall hereafter be coined, and no gold coin shall hereafter be paid out or delivered by the United States.

The Nation's currency would continue to have the backing of an actual metallic reserve. But the gold standard now envisaged as an ultimate goal of the Roosevelt administration would differ in one important respect from the gold standard in effect before 1933.

It was one of the characteristics of this earlier standard, perhaps the only completely free gold standard in the world, that it imposed no restrictions internally or externally on the movement of gold. Such a system could be maintained only if the country's stock of gold were adequate to meet the demand. It was entirely adequate in normal times. But a stock valued at 4 billions could not possibly be stretched to cover 6 billions of paper currency and 43 billions of bank deposits, if all of the owners of paper currency and all of the owners of bank deposits suddenly wanted gold at once.

The experience of 1933

It was a panicky effort to convert credit into cash that brought on the banking crisis of last February, before the Roosevelt administration entered office, and this experience is responsible for the changes now proposed. Henceforth, if the present plan is enacted into law, the Nation's currency would have gold behind it but would not be convertible into gold. Gold coin would cease to be used as a medium of exchange within the United States (comparatively little use was made of it for this purpose before 1933); but gold in the form of bars could, with the approval of the President and the Secretary of the Treasury, be used by the Federal Reserve banks for the purpose of settling international balances.

It is interesting to note that in recommending this procedure the Roosevelt administration is pursuing a policy widely endorsed by financial opinion in other countries. Proof of the fact is to be found in the following resolution, unanimously adopted by one of the subcommittees of the World Economic Conference last summer:

"Under modern conditions monetary gold is required, not for internal circulation, but as a reserve against central bank liabilities and primarily to meet external demands for payments caused by some disequilibrium on foreign account. It is consequently undesirable to put gold coins or gold certificates into internal circulation."

International angles

It thus happens that a measure recommended by Mr. Roosevelt primarily because of national considerations is at the same time a measure which has received international support, because it promises greater economy in the use of gold, and thereby, in effect, an increase of the supply.

There are several passages in the message in which Mr. Roosevelt recommended his program to Congress showing at other points an interest in the international aspects of monetary control. The President expressed his "hope that, despite present world confusion, events are leading to some future form of general agreement." He emphasized for the first time since last May, the desirability of "some greater degree of stability of foreign exchange rates in the interests of our people." He spoke of the possibility of "a future agreement among the nations of the world for a redistribution of the world stock of monetary gold."

Such statements as these reveal a desire to avoid a war of currency depreciation and to seek instead, as rapidly as circumstances permit, the establishment of a new and perhaps greatly modified international gold standard.

The PRESIDING OFFICER. Morning business is closed.

ORDER OF BUSINESS

Mr. ROBINSON of Arkansas. I ask unanimous consent, after the conclusion of morning business and the remarks of the Senator from Ohio [Mr. Fess], of which he gave notice yesterday, that the Senate proceed to the consideration of unobjectionable bills on the calendar.

The VICE PRESIDENT. Is there objection?

Mr. SMITH. May I ask the Senator from Arkansas if he expects to have an executive session today?

Mr. ROBINSON of Arkansas. I do expect, following the order for which I am now asking, that the Senate will proceed to the consideration of executive business.

Mr. COPELAND. Mr. President, may I ask my leader, Would it be possible for me to work in a speech on the St. Lawrence Waterway Treaty?

Mr. ROBINSON of Arkansas. Yes; I apprehend that the call of the calendar for unobjectionable bills will take a comparatively brief time; and, following that, it is my intention to move that the Senate proceed to the consideration of executive business, in order that the treaty may be laid before the Senate.

Mr. COPELAND. Then, may I tell Senators that I hope to speak for not more than an hour on the subject, and I

should like to have an audience for the first 10 minutes. After that I am willing to have Senators consult their pleasure.

Mr. ROBINSON of Arkansas. We shall try to grant the request of the Senator from New York.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on January 20, 1934, the President approved and signed the act (S. 2125) to continue the functions of the Reconstruction Finance Corporation, to provide additional funds for the Corporation, and for other purposes.

ST. LAWRENCE WATERWAY MAPS

Mr. PITTMAN. Mr. President, on behalf of the Foreign Relations Committee I have had three maps prepared for the use of the Senate in the discussion of the St. Lawrence Treaty. I am simply inviting attention to them.

The first map, entitled "Great Lakes-St. Lawrence Seaway", shows the area tributary to the seaway as determined by the engineers and by the Interstate Commerce Commission, where joint rates meet, and so forth.

The second, or center map, entitled "Improvements to be made in connecting the channels of the Great Lakes and the St. Lawrence River under treaty pending before United States Senate", is an enlargement of the map which was submitted by the board of engineers of the Army as an accompanying document to the President's message. I have simply had it enlarged so it may be studied more easily.

The third map is a new map, not found in any of the reports. It has been prepared by the engineers at my request as Chairman of the Foreign Relations Committee. It shows the Mississippi water system. It also shows the development of the water system so as to increase the supply of water at low water on the Mississippi River, giving the figures at each junction and the amount of increase of water in the river. There will later be submitted a report from the board of engineers as to the amount of water necessary for the Mississippi River project.

LOANS BY FARM CREDIT ADMINISTRATION

Mr. ROBINSON of Arkansas. Mr. President, yesterday in the discussions in the Senate some mention was made of the progress of loans being made by the Farm Credit Administration, including loans made by the Federal land banks. I desire to have printed in the RECORD a memorandum which has been submitted by the Farm Credit Administration showing the rate at which loans are now being made, the number of loans closed between May 1 and December 31 of last year, the amount and number of loans approved as of January 17, 1934, the total loans closed and approved of January 20, 1934, the amount under that item being \$992,490,523.

May I add that the loans closed between May 1, 1933, and December 1, 1933, aggregated about \$210,000,000, of which \$140,000,000 were land-bank loans and \$70,000,000 were Commissioner's loans. Loans are being disposed of or closed at the rate of from \$5,000,000 to \$6,000,000 a day.

This information emphasizes the importance of the bill that was passed yesterday.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

BRIEF STATEMENT OF MORTGAGE LOANS BY FARM CREDIT ADMINISTRATION

Number of applications received May 1, 1933, to January 17, 1934, 528,549 for \$2,189,000,000.

Loans closed from May 1, 1933, to January 20, 1934, \$290,401,900.

Present rate of closing from five to six million dollars a day, or one hundred to one hundred and twenty-five million dollars per month.

Loans closed May 1, 1933, to December 31, 1933, about \$210,000,000, of which \$140,000,000 were land-bank loans and \$70,000,000 Commissioner's loans.

Loans approved but not closed as of January 17, 1934, 303,507, amounting to \$702,088,623, of which \$413,555,784 represented Federal land-bank loans and \$288,532,839 represented Commissioner's loans.

Total loans closed and approved up to January 20, 1934, amount to \$992,490,523.

About 90 percent of proceeds of loans were used by farmers for refinancing indebtedness. Of this amount more than one third was used to refinance mortgages and short-term notes held by commercial banks. About \$70,000,000 loaned to farmers for this purpose. The remainder used to refinance debts due insurance companies, merchants, joint-stock land banks, miscellaneous creditors, and to pay taxes. Some scale-down of indebtedness effected in 17.3 percent of Commissioner's loans and 3.3 percent of land-bank loans. Average scale-down of debt by Commissioner's loans, where scale-down occurred, was 23 percent.

In addition to any saving in principal, farmers refinanced will save about 25 percent of previous annual interest payments. Saving to land-bank borrowers by reduction in interest rate on mortgages outstanding about \$11,000,000 per year for next 5 years. Saving in interest on new loans closed to January 1, 1934, about \$2,700,000 a year.

Applications still being received at rate of 12,000 to 14,000 per week. Banks current on appraisals. Considerable delay in effecting scale-downs where necessary to complete loan. Very important to speed passage of bill as much as possible to avoid interruption of refinancing program.

GOLD VALUATION OF THE DOLLAR

Mr. FESS. Mr. President, I am going to embrace the opportunity of answering a great portion of the mail that has come to my office during the last 2 or 3 days by the method of addressing the answers through the columns of the CONGRESSIONAL RECORD. That is due to the physical impossibility of attending to even a slight portion of the very heavy mail that has come in within the last 4 or 5 days, since the devaluation-of-the-dollar issue has been before the country.

As I read these letters, I think they are probably stimulated by the request that has been made over the air that Senators and Representatives should be addressed on the subject. The mail yesterday and today is comparable only with that which my office received when we were in the agitation for the cash bonus. At that time as many as 1,031 pieces of mail reached the desk in one of the five mails that are delivered every day. The mail yesterday and today has not been quite so enormous, but it expresses a sentiment and an intensity of feeling that is quite unlike that of the correspondence on the cash bonus.

Take it at random:

Please allow me to ask you to give your undivided support to the demand for the revaluation of the gold dollar and the remonetization of silver.

That is the general request. Some of the letters are not requests; they are like this:

As witnessed by our signatures below, we demand—please understand, demand—that you, as our duly appointed representative, representing this district, not the international bankers, central bankers, foreign interests, etc., favor the Reverend Charles E. Coughlin's unshackled commodity dollar.

That is signed by probably 50 different people.

Mr. LEWIS. Mr. President—

The PRESIDING OFFICER (Mr. WHITE in the chair). Does the Senator from Ohio yield to the Senator from Illinois?

Mr. FESS. I do.

Mr. LEWIS. Before the able Senator goes further, will he allow me to take advantage of the statement he has made to insert in the CONGRESSIONAL RECORD the fact that the volume of mail to which the able Senator has alluded as oppressing him is very similar in amount to that which likewise comes to active Senators on this side, and equally accounts for our utter inability to reply?

Mr. FESS. I thank the Senator, because I assumed that that was true of every Member of the Senate.

Mr. LOGAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Kentucky?

Mr. FESS. I do.

Mr. LOGAN. I ask what suggestion the Senator from Ohio may have to relieve this congested condition in our offices. I think I can speak for every Senator on this side of the Chamber when I say that he cannot read his mail; he cannot answer it; he cannot give attention even to the telegrams that come in. His office force is wholly insufficient to handle the routine matters that come into his office.

In addition to what the distinguished Senator from Ohio has, we have those who desire offices. There are several Democrats who would like to have offices these days. [Laughter.] We have all that in addition to what the distinguished Senator from Ohio has to contend with, I imagine, because I do not think he would try to get many offices for Democrats.

Mr. FESS. It would not be any use.

Mr. LOGAN. I should like to hear some constructive suggestion as to what can be done. We work day and night, and cannot do one tenth of the things we are expected to do.

Mr. FESS. Mr. President, I cannot give any suggestion of relief. The only thing I can say is that not desiring to ignore the correspondence, as no Senator would like to do, I am taking this method—which might be regarded as an imposition on the Senate—of answering the mail.

The congestion in Senators' offices on matters of office-seeking is not so serious as the congestion on matters of legislation. I have not very much sympathy for Democratic Senators who are burdened on that score, but I do have the sympathy that I have for myself, for every Senator who desires to answer all his correspondence. It is simply an impossibility.

I brought to the Senate Chamber these packages of mail that came to my office yesterday afternoon and this morning. They are simply enormous. Not all the letters are couched in the same language. They are not all one-sided, either. Some of the letters protest against devaluation of the dollar; but the vast mass of the correspondence urges, in rather unthinking terms, that support should be given to these propositions. Some of the letters even ask us totally to abdicate all responsibility of expressing judgment and vote as rubber stamps because the President has asked that such and such a thing be done.

Mr. President, I have never subscribed to that theory of legislation. While I do not want to ignore this vast mail, I am not going to run away from any threats that are being made, nor am I going to show disrespect for, or ignore, requests. I do not mean by that statement that I am going to do what is wanted of me, but I will state why I cannot do what is desired.

Mr. President, if I had had no experience of any sort in the discussion of the money question, I might be somewhat disturbed by this enormous volume of mail; but, bad as it is, it does not hold a candle to the excitement of 1896, when the free and unlimited coinage of silver at the ratio of 16 to 1 was announced as a cure-all for the economic ills from which we were suffering at that time.

When that theory was first announced, it swept the country just as the suggestion of the devaluation of the dollar is sweeping a certain class of thinkers in the country today; but it was more intense. It was the source of greater aggregations in the way of meetings and of greater demands. It was the occasion for a much finer type of oratory than we have had at this time anywhere, either in committees or on the floor of either Chamber.

It was on that occasion that, having been a teacher of finance in a university, I accepted challenges in debate ranging from college and university professors to Governors of the Western States. When I speak on the effort to bring about a fiat issue—whether it be by artificial decree of the Government in fixing a ratio or by the issuance of irredeemable certificates, it is fiat just the same—my judgment is not an impulse. It is not sudden. It is the result of study and open expression upon every occasion.

I was in Congress in 1913, when the Federal Reserve Act was passed. I was one of 37 Republicans in the House of Representatives who supported it, not only by my vote but by my voice. I offered an amendment to the Federal Reserve Act which was the only amendment of the 200 and more offered by Republicans that was accepted. That amendment was in these words:

After the word "repealed", strike out the period and add the following: "Provided, That nothing in this act shall be construed to repeal the parity provision of the act of March 14, 1900."

And then I quote that act in the amendment:

An act to define and fix the standard of value and maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes.

That is the amendment that was offered in the House of Representatives by a Republican, and the only one that was accepted by the Democrats; and it was to preserve the gold standard in the Federal Reserve Act. It is true that the distinguished Chairman of the Banking and Currency Committee in the House, who is now the greatly honored senior Senator from Virginia [Mr. GLASS], said he did not believe that that language was necessary in order to maintain the gold standard; that he rather thought the Federal Reserve Act did not operate to repeal the act of March 14, 1900, which placed the Nation on a gold basis; but he saw no particular harm in it. The amendment came to a vote, and after a discussion which lasted until 11 o'clock that night the vote was 299 for it and 68 against it.

When the bill came from the House to the Senate including that amendment, there was a change in the wording, but the change was not substantial. It still retained the gold standard in more specific terms than the bill had before the amendment was offered. So when the people of Ohio are propagandizing me to vote to devalue the dollar or to vote for the issuance of greenbacks, I do not hesitate to say that I cannot do it. That is not because it is a momentary opinion. It is my judgment that this is a great blunder, economic, governmental, and in every other way, except that if the devaluation were limited to debt-paying there might be some basis for that contention. However, in the last analysis it will not be beneficial even to the debt payer.

Mr. President, the proposal to devalue the dollar is only another form of repudiation to the degree to which the devaluation takes place. If we are to enter on the policy of devaluing the dollar, of course, I think everybody must agree that if it can be honorably done, the Government should take whatever profit is to be derived by that process.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield to me?

Mr. FESS. I yield.

Mr. ROBINSON of Arkansas. Does the Senator mean by that declaration to assert that once a monetary standard is fixed, it can never be changed so as to regulate monetary units as of less value than exist at the time the change is made?

Mr. FESS. No; I do not mean anything of the sort.

Mr. ROBINSON of Arkansas. Then what does the Senator mean?

Mr. FESS. I mean that if there is an obligation to pay a debt, and that obligation is represented by so many ounces of gold or grains of gold, it cannot be discharged by the payment of a reduced number of ounces or grains of gold. If the number is reduced, and the difference is represented by an issue of certificates, that part of it is fiat, and that much of the debt is repudiated.

Mr. ROBINSON of Arkansas. Then, so far as the power of Congress to coin money and regulate the value thereof is concerned, it is inoperative and ineffective insofar as obligations existing at the time of the exercise of the power are concerned?

Mr. FESS. Mr. President, I am not speaking of what Congress can do or what it cannot do. I have not entered upon the constitutionality of this sort of legislation. I am speaking of whether it is honest to undertake to scale down obligations by changing the medium by which the debt is paid without the consent of those to whom the obligations are due.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield for one more question?

Mr. FESS. I yield.

Mr. ROBINSON of Arkansas. If it is dishonest to exercise the power to coin money and to regulate the value thereof, a power vested in the Congress, then, under the Senator's viewpoint, that provision in the Constitution is inoperative unless the Congress chooses to do something dishonest. Is it not

rather the better viewpoint that all contracts are entered into with a fair understanding of the existence of this power, and of the likelihood of its exercise, if, in the public interest, it becomes necessary to exercise it?

Mr. FESS. Mr. President, a code of ethics which would permit the Government to take advantage of a contract but would not permit an individual to do so is something to which I do not subscribe. Of course the Government can coin money, and regulate the value thereof. The Government can fix the standard of weights and measures. The Government can say that instead of 60 pounds of wheat making a bushel, 30 pounds shall constitute a bushel. The Government can say that instead of 3 feet being a yard, 18 inches is a yard. But I say such a thing would be a dishonest proposal if we should undertake to apply it to contracts already made; and the Senator himself must admit that.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield further?

Mr. FESS. I yield.

Mr. ROBINSON of Arkansas. Does not the Senator come back to the proposition advanced in my previous question, namely, that, in his opinion, once a standard of measurement or of value is fixed it cannot be changed honestly with respect to existing conditions or obligations? Is not that the effect of the Senator's contention, and does he not recognize that?

Mr. FESS. It is the effect, unless we are willing to admit that the Government can take property without consideration, can cancel an obligation without payment.

Mr. ROBINSON of Arkansas. I do not regard the exercise of the power to coin money and to fix the value thereof as a taking of private property.

Mr. FESS. Mr. President, I cannot understand the attitude of my friend from Arkansas.

Mr. ROBINSON of Arkansas. May I say that it is equally difficult for me to comprehend the attitude of my friend from Ohio? [Laughter.]

Mr. FESS. I am not responsible for the inability of my friend to understand plain, ordinary logic.

Mr. ROBINSON of Arkansas. Nor am I responsible for the inability of my friend from Ohio to understand plain logic. [Laughter.]

Mr. FESS. Plain logic can prove that the Senator cannot go out the door, and the Senator would rely upon plain logic in the face of the fact that he can go out of the door. I can prove to the Senator that he cannot pay his debts—

Mr. ROBINSON of Arkansas. The Senator will have no difficulty in proving that. I admit it. [Laughter.]

Mr. FESS. Mr. President, let us get back to the fundamentals. Here is a proposal to take \$4,000,000,000 of gold and, by a Government decree, make it eight billion overnight without adding a single red penny to the wealth of the country, and with the difference, which is purely fiat, pay the obligations of the Government. Yet men say that is not dishonest, that that is not taking value without consideration. That is precisely what this proposal is. As I stated before, if we proceed to bring about devaluation, then, of course, if there is any way to do it, whatever profit comes out of it should go to the Federal Government.

Mr. President, citizens have written me at different times asking where there is any justification for doubling the value of the gold now in the possession of the Federal Reserve banks. I stated that there was no justification for it and that it should not be done. But if it is done, we do not cushion the guilt in any way by taking the profit from those in whose possession the gold was, increased in value by our own decree. That is not honest.

The only contention I can see for this proposal is that the Government is in a bad state in regard to its obligations and needs money, and if it can create by fiat \$4,000,000,000, by a decree of this sort, it will have that much money to apply upon its indebtedness if it is not applied in some other form. Even if it does that, that is only temporary, it is only a partial payment, and we will still have to struggle against the dangers of a break-down of our national credit.

In reading the President's message and giving it the most careful analysis of which I was capable, and then reading the bill which was presented by the chairman of the committee, obviously prepared at the White House to carry into effect the message, I find that the proposal is to limit the devaluation to from 50 to 60 cents on the dollar. The question is not as to the degree to which it should be limited; it is whether there should be devaluation without recompense to those whose property is being taken and at the cost of every citizen who is selling services.

If we devalue to the extent of 50 to 60 cents, the only question I can see in that, aside from what I regard as dishonest, is the degree to which the valuation should go. The devaluation will have a range of 20 percent; and if stability is necessary, if the purpose of devaluation is to stabilize, with a variation of 20 percent there can be no stabilization. The man who is engaged in business, who is making a contract to be executed, say, 6 months or a year hence, wants to know what money will be worth when that contract is to be executed; and if he cannot know what it is to be worth, he is not going to risk any investment. The Damoclean sword of uncertainty as to the value of money is suspended over business today, is preventing expansion in business, and is a deterrent, if not an absolute obstacle, against substantial recovery.

There is talk about stabilization, but when there is the suggestion of a variation of 20 percent in costs, there can be no stabilization at all, for if a man feels that he is risking a loss of 20 percent in cost, he is not going to launch into business.

Mr. VANDENBERG. Mr. President—

The PRESIDING OFFICER (Mr. LOGAN in the chair). Does the Senator from Ohio yield to the Senator from Michigan?

Mr. FESS. I yield.

Mr. VANDENBERG. I interrupt the Senator for the purpose of asking a question. We are confronted, are we not, by two alternatives? Under the action of Congress last spring, which I joined the Senator from Ohio in opposing, the President already has an opportunity to swing the lack of stabilization through 50 points.

Mr. FESS. Yes.

Mr. VANDENBERG. The pending proposal brings the President back to 10 points. Might it be said, then, that this proposal is at least a first step back toward some degree of stabilization?

Mr. FESS. Yes.

Mr. LEWIS. Mr. President, may I ask if the able Senators from Michigan and Ohio will kindly extend their confidential communications to this side of the Chamber, so that we may get the benefit of the wisdom they are imparting?

Mr. FESS. Mr. President, for the information of the Senator from Illinois, I will say that the Senator from Michigan asked whether stabilization within a range of 10 points would not be more acceptable, or would not be a step closer to what we want than a variation of 50 points, such as we now find to be possible. My reply to him was that it would be more acceptable.

The only contention I desire to make is that a 20 percent range is not stabilization. It is no assurance to any business risk; and it must be recognized that there is no progress in business outside of venturesomeness. The very element that makes for expansion in business is that of venture, the running of a risk. The element essential to a revival of business is more or less that of venture. No new business is launched that does not involve the element of venture.

If we now add to the venturesome element, which involves uncertainty as to what the result will be, the other element of unstable currency, so that the contractor obligated under a contract does not know what will be the worth of his money when it either is to be paid by him or received by him, he is not going to engage in a new enterprise. So stabilization within a 20-percent range is a step in the right direction, but it is not real stabilization. If it could lead to something definite, fixed, we all would welcome such stabilization.

Replying further to the Senator from Michigan, he has in mind, I am sure, the same conviction entertained by me as

to the present trend. I do not like it, but it is better than nothing. I do not want, however, to be put on the alternative side and be compelled to say I have got to accept this or else I have got to accept something worse. That is not sound procedure. The same idea is in the mind of the Senator from Michigan—I have not talked to him, but I think so—in regard to the Government taking over the profit. If the action proposed is to be taken, of course the Government ought to retain the profit, if it can be done legally and justifiably, rather than to allow the profit to go into the hands of those who are benefited by the decree of the Government. But I do not want to be put in a position, especially when there is neither rhyme nor reason for the act, of saying, "We are either going to have to commit an act of theft or else we are going to have to face great dangers in the future." That is not a sound principle on which to predicate any action.

The primal error was the original abandonment of the gold standard, which was done without rhyme or reason, and never up to this good hour has there been any explanation of why it was done. The error having been committed, there now are Senators on both sides of the aisle who will feel that devaluation probably is the best next step. So many who do not want to have such errors committed will find themselves in a compromising position, not wanting to vote for something they do not approve, and yet afraid not to cure in part a condition that now exists. I wish to say once for all that I do not qualify in the class that has to be strong armed by the statement, "If you do not do this, you are going to get something worse."

The limits of devaluation may be discussed from another standpoint, but before I come to that, Mr. President, I desire for a moment to consider the effect of this proposal on the present Federal Reserve System. As I previously stated, when a young man reading *Twenty Years in Congress*, by James G. Blaine, and the works of other writers on various subjects political in character, I was impressed, long before I ever thought of service in the Congress of the United States, by the argument that our national banking system must be revised; that under the then existing system it could only exist on the basis of a debt, as the currency was issued upon Government bonds, and the time would come when that system would have to be changed. When I entered Congress the revision of the banking system was one of the first subjects of major discussion, and, naturally, I was deeply interested in it. I do not want to see the system that has since been created broken down.

The step proposed, Mr. President, if I understand it correctly, is a direct assault on the very foundation of the Federal Reserve System. The Federal Reserve System was created in response to a wide general demand that currency be issued to correspond to the needs of trade. It was felt that as trade in certain seasons greatly expanded there ought not to be a fixed monetary system whereby the currency in circulation could not be increased; that there ought to be a system whereby if there should be demand for new currency, new currency could be safely issued, and if that demand should pass away then currency issued beyond the needs could be retired. It seemed that the Federal Reserve System, if properly operated, would do that very thing, and we thought the danger of financial crises had become a thing of the past; that the Federal Reserve System would be sufficient to respond to any needs of economic demand, and we therefore would avoid the cycle of periods of great prosperity being followed by years of severe depression.

The World War severely tested the Federal Reserve System, and yet, although there was an enormous overexpansion of credit which at times made it appear we were close to the abyss, we got through without any serious result to the System.

Then came the war-time inflation of business, with business being done on installments; when we followed the recommendation of a very popular writer that every man should not only have one automobile but should have two; when we lived on an artificial price scale that people were foolish enough to believe could be made permanent. This was continued until money flowed from the rural sections into

the center of activity, as represented by the stock exchange, until the collapse was inevitable, although the symptoms of that danger had been foreseen and warnings had been issued by those high in the Government of the United States that danger was ahead. At that time the Federal Reserve System was again tested to such a degree of severity that some people even suggested that it had broken down. I hardly think that the statement that it has broken down is correct, although it is true that it could not handle such an artificial situation as had been created as the result of war inflation.

Now, Mr. President, an effort is being made to solve the problem that has come as an aftermath of the World War and to remedy the evils of the depression that is the direct result of the employment of unsound economic principles, not only of business but of banking by resorting to more unsound proposals and further suspension of fundamental principles.

We are now in the backwash of that war, and while it is true that the death of 10,000,000 of the flower of the world's manhood and the destruction of \$100,000,000,000 of values and the mortgaging of much of the future, as the result of conducting the war, had a bad effect, the present occupant of the chair [Mr. BAILEY in the chair] now knows that no element in this backwash is so dangerous in its result as abandonment of sound principles of business. That is the calamity from which we are suffering today; and in this sea of mortgages, difficult to pay, it is now suggested that those mortgages should be paid by fiat money in a certain form, and that we should enter upon a new system of credit, the result of which no living man can foresee.

Mr. Young said yesterday, as I read his statement in the newspapers, that the expansion of credit by the act now proposed may reach from \$30,000,000,000 to \$40,000,000,000; Mr. Burgess stated that it may reach from \$20,000,000,000 to \$30,000,000,000; Professor Warren stated that those figures are too high, but that it may reach \$7,000,000,000 and it may reach \$17,000,000,000.

The field of variation, the realm of uncertainty in the mind of the authors of this proposal is 140 percent; he comes only that near being certain. It may be \$7,000,000,000 and it may be \$17,000,000,000—a variation of only \$10,000,000,000, one and a half times the minimum, or a variation of nearly 150 percent.

Why does Professor Warren say that? Because he cannot know, as no other man can know, what the expansion of credit may be. Why does Owen D. Young say it will be from \$30,000,000,000 to \$40,000,000,000? It is because of the background of Mr. Young and his business experience. As will be recalled, he was the leading figure in the Dawes Commission, created to adjust the basis of Germany's payment of reparations, and later the head of the Commission which revised those figures, known as the "Young Commission." While Mr. Young cannot authoritatively state what the effect will be, I am more inclined to take the view of a man whose theory is reinforced by experience than the theory of someone who is in his cloister all the time.

I do not want to say anything unkind of my profession, but I cannot help but think of the famous statement of Brander Matthews, a distinguished professor of a great university. When he was asked why it was that so few college men ever became successes in business, he said, "I do not know, unless it be because they are so ignorant." [Laughter.] A hard statement to make; yet it is true that, while one can be absolutely certain in a theoretical way, his theory may never come within sight of the results attained in actual practice. And here we are launching upon a field of undetermined credit expansion which, if it is to reach the point which Mr. Young says it is likely to reach, then high prices instead of low prices will be the thing everybody will be complaining of.

There is another thing that is of very serious concern. The very breath of the Federal Reserve System is the authority for issuance of notes. To make those notes of current debt-paying legal-tender service there must be 40 percent of gold as a reserve upon which the value is based. If the remaining 60 percent can be maintained in gilt-edge

securities, 40 percent will be all that is necessary in gold; but if, for any reason, it is impossible to have the 60 percent in acceptable securities, industrials and others, then the gold backing has to be increased in that degree. Naturally, when business is prosperous the gold reserve will be at the minimum of 40 percent, but when business gets to the low stage which it reached in 1931 after the breakdown in central Europe, the gold reserve must be increased because the value of industrials decreases. We reached a point, as the distinguished Senator occupying the chair will recall, where instead of having 40-percent gold reserve we had 80. That was not because the gold was necessary except to satisfy the law when such securities were not available.

Then it was that we enacted an emergency measure and permitted the deposit of Government bonds instead of gold, and in that way released nearly a billion dollars of gold. But, Mr. President, a Federal Reserve note is worth a hundred cents, no matter where it is used in this or any other country, because it says on its face that it is redeemable in gold or lawful money. The only thing that makes it current is the redemption clause.

During the Civil War when we were in dire need of currency we issued greenbacks to the amount of \$60,000,000, but we did not call them greenbacks, because we made them redeemable in gold on demand. That issue of \$60,000,000 never declined one cent, because at any moment it could be redeemed in gold.

Mr. LEWIS. Mr. President—

The PRESIDING OFFICER (Mr. BAILEY in the chair). Does the Senator from Ohio yield to the Senator from Illinois?

Mr. FESS. I yield.

Mr. LEWIS. I should like the able Senator to give me his definition of lawful money. The Reserve note is payable in gold or lawful money. What does my able friend say is the meaning of "lawful money" when it is not gold?

Mr. FESS. Any money that is redeemable in gold under the act of 1900.

Mr. LEWIS. Does the able Senator feel, when the law says "gold or lawful money", that the words "lawful money" are not intended to mean money other than gold?

Mr. FESS. Mr. President, we have gold coins, silver coins, subsidiary coins in metals; we also have gold certificates, silver certificates—neither one of which is gold; and, in addition, we have national-bank notes, Federal Reserve notes, Sherman notes of 1890—a few of them—and Federal Reserve bank notes, which are not gold, but every dollar of which, under the act of March 14, 1900, is redeemable in gold. That makes them lawful money, and when it is said that they are redeemable in gold or lawful money, it means gold or money in existence which is redeemable in gold, and the Senator knows that to be so.

Mr. LEWIS. No; I cannot permit the Senator's expression to go unchallenged that I knew a thing and indicated something else.

Mr. FESS. Well, I will take it back.

Mr. LEWIS. The Senator ought to withdraw much of his speech, upon the same theory of the error he has fallen into.

Mr. FESS. No; I shall not withdraw anything at the suggestion of my friend except when I may refer to something he may have said.

Mr. LEWIS. I confess there is a great deal in what the Senator says as to the construction of the act of 1890.

The PRESIDING OFFICER. Does the Senator from Ohio yield further to the Senator from Illinois?

Mr. FESS. I will if the Senator has a question to ask but not for a lecture.

Mr. President, what does the bill which I am now discussing propose to do as it affects the issuance of Federal Reserve notes? Are they going to be issued on a gold base, as is now required under the law? No. Gold ceases to be a commodity; gold ceases to be monetary gold; gold might as well be thrown to the bottom of the sea; it is to have no use; it is to be taken out of the currents of trade and impounded. One cannot demand it, and, therefore, Federal

Reserve notes have no redemption feature, and it is just the same as if gold were placed where it cannot be obtained.

What is the Government proposing as to the Federal Reserve notes heretofore issued, redeemable in gold and supported 40 percent by gold, and to the extent of the remaining 60 percent by securities? It is to take the gold coin and convert it into bullion, which is all right; to impound it in the Treasury, and then, for the profits which the Government has made out of seized gold, gold certificates, irredeemable, are to be issued in payment thereof, and upon this irredeemable certificate Federal Reserve notes are to be based and issued.

The scrip called a certificate is not money, because it cannot be redeemed except upon the option of the Secretary of the Treasury. A redemption based on the option of the Secretary of the Treasury, and not on the option of the one holding the scrip, is no redemption at all, as everybody knows. If for any reason the holder of that scrip could induce the Secretary of the Treasury to redeem it in gold, it would have to be in bullion and at a rate that nobody knows except the Secretary of the Treasury, because he is given the power to fix the amount that will be paid for the scrip.

Mr. President, I challenge anybody to say that that is not the very foundation stone of the Federal Reserve Act; and yet it is to be uprooted, root and branch. What is to become of the Federal Reserve notes? Are they anything but a promise? That is all. If a promise is the only thing to be considered of value, then let us start to issue greenbacks and do it to the extent that we can pay the running expenses of the Government and stop the burden of taxation. If we can create value to pay debts by issuing scrip irredeemable, then let the Government go to the limit.

Mr. HASTINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Delaware?

Mr. FESS. I yield.

Mr. HASTINGS. I should like to inquire whether the Senator's conclusion is that the new currency is the kind of currency that has nothing back of it except the credit of the Government?

Mr. FESS. That is correct. That is all. The scrip upon which the Federal Reserve note is hereafter to be issued is a certificate which has back of it so much bullion, but the holder of it cannot demand bullion, let alone coin. He may ask for it and if the Secretary of the Treasury wants to give it to him he can do so. If he does not want to do so he will not do it and cannot be compelled to do it. If he does give it he will fix the amount he will pay.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Utah?

Mr. FESS. I yield.

Mr. KING. I was interested in the statement of the Senator that bonds issued by the Government are a promise to pay, redeemable in whatever is the basic or primary money. Is there anything per se or fundamental back of the bonds of the Government, which aggregate today \$25,000,000,000 or more, other than the credit of the country?

Mr. FESS. No. If the Senator wants to put United States bonds in the same category as legal tender, then his question is pertinent; but when he assumes that because a bond has nothing back of it except the credit of the Government and that therefore it should be treated as the currency of the country, I say that the two things are so widely different that I cannot see the analogy at all.

Mr. KING. Perhaps the observation just made by the Senator is entirely accurate. Nevertheless, if the Government of the United States has sufficient integrity and unimpaired financial strength and power as that its bonds, totaling billions of dollars, are current and purchased by the people, that people are willing to surrender their money for the purpose of purchasing the bonds, may we not assume that the Government, acting certainly with a modicum of wisdom anyway—even though the Democrats are in power—will be interested in preserving the credit of the country, so

that nothing will be issued, whether we call it irredeemable or not, that does not have back of it the honor, the integrity, and the unimpaired credit of this great Republic?

Mr. FESS. Mr. President, I am perfectly willing to concede all the Senator said as to the purposes of the Government. I am perfectly willing to concede that the Government will not of its own volition wish to repudiate its obligations. I have stated, and I state now, that I have never seen any utterance from the President that would indicate that he is for inflation, in the general sense of the term, of printing greenbacks or printing irredeemable money. But I stated previously, and I repeat that now, it is not a question of what the President's views toward inflation may be or are. The question is, What will be the eventuation of the policy of the President now as to gold? It is not what he wants to do. It is what he will feel compelled to do when the crisis is reached.

I did not want to enter this field of discussion, but I cannot feel at ease over the wild expenditures—wild in the sense of amount, because I do not mean in the form of expenditure. I cannot feel at ease when wondering how we are going to meet an obligation that is \$3,000,000 an hour, \$30,000,000 a day, counting 10 hours a day, 6 days a week, in violation of the N.R.A., every working day in the year, at the rate of \$3,000,000 an hour. How are we going to meet it if it continues? That is what is already demanded of us, to say nothing about the rate of expenditure that is now going on. If the rate now in vogue keeps up it will be \$15,000,000,000 a year instead of \$10,000,000,000. I am assuming that rate will not keep up, but that we will require \$10,000,000,000 stated in the President's Budget message.

I fear this is only a matter of relief at the expense of recovery, and, if my fears shall be realized, then next year we will have the same thing on our hands. Then what about the credit of the Government? I say to my friend from Utah that I do not charge him or his administration or anyone in authority—except now and then we will see a fugitive college professor probably who is favoring it—with wanting to repudiate. I do not charge that. I think they do not want to do that. My concern is, What will the policy compel them to do, and is there anyone here who can be entirely enthusiastic that the credit of the Nation is to be 100 percent all the time under these circumstances? What will be the effect on the credit of the Government when we want to sell our bonds?

I do not want to say anything that would in any way complicate the problem of the administration in its need for \$10,000,000,000 that must be raised very soon. I am not so much concerned about the bond market, but I am concerned about the circulating media with gold ceasing to be both the media and the measure of value and the substitution of a variable quantity that ranges 20 percent and perhaps more. If anyone can get any encouragement out of such promises as that, they possess more credulity than I possess.

Mr. KING. Mr. President, will the Senator permit an inquiry?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Utah?

Mr. FESS. I yield.

Mr. KING. I hope I do not misunderstand the implications of the Senator. I do not quite follow him, if he means that the policy of the valuation of gold per se increases the expenses of the Government that will be an inducement to the party in power or to my friends upon the other side of the Chamber to be more extravagant or inordinate in supporting appropriations than if we adhered to the gold standard. Yet, if I have followed the Senator, his position is that, if we devalue the dollar, we are bound to spend more money next year, perhaps \$15,000,000,000 instead of \$10,000,000,000. I did not quite follow the Senator.

Mr. FESS. No, Mr. President; I did not mean to state what the Senator is stating. If I made any statement from which it could be inferred that the devaluation of the dollar is going to require us to be more extravagant, I did not mean that. I do mean, however, though I have not said it, that the devaluation of the dollar is a first step toward the

payment of obligations with money that is not of the standard. That I mean, although I have not said it, and that may open the door for further issues of that sort, though not because anybody wants to do it; but what I meant was this:

I think the Senator agrees with me that the program of expenditure that he and I are supporting, because it is a matter of humanity to do it, involves a lot of waste and extravagance that ought to be corrected; but that, of course, always happens in cases like this and in cases of war. I do not see the end of that program unless we stop it, and just how to stop it when once started is a very difficult problem for us all.

Mr. President, there is another phase of devaluation that is less important economically or governmentally, and more important socially and politically than anything that has been said; and that is that if the theory of the devaluators is carried out it will increase the prices of commodities. That point is in dispute. My good friend the Senator from Montana [Mr. WHEELER], who is urging that we give recognition to silver at a fixed ratio, thinks devaluation of the dollar will not increase the price level. Nobody can be certain about it. Theoretically, it will. Practically, it remains to be seen. I should think anybody would concede that if we make 50 cents a dollar, when we go out to purchase goods with that dollar which is worth only 50 cents, we will have to pay a higher price for the things that are purchased. It is the old problem in arithmetic. If the divisor is decreased and the dividend left as it is, the quotient increases, or vice versa.

I think it is logical to believe that with the devaluation of the dollar there will be an increase in the price level. If there is not, then the whole theory upon which the proposal is based falls; for that is the one ostentatious and logical representation of those who are demanding it.

I think that is expressed in Professor Rogers' statement that devaluation will be beneficial to the farmer, and it will be beneficial to the debt payer. The farmer sells commodities. The price of his commodities will be increased. I think that is probably true. The debtor pays his debt in a dollar worth 50 cents. It is assumed that the commodity for which he had heretofore received a dollar he will now receive \$2 for, and therefore, instead of his having \$1 to pay on the debt he will have \$2 to pay on the debt, which will make his debt paying easier. Of course, theoretically that may be true but, practically, the man who is in debt can pay only in the money that he has, and if he has not a commodity to sell for the money with which to pay his debt he will not in the long run benefit as a debt payer.

The dangerous thing here is that if this theory is correct, the man who now has a dollar worth 50 cents will find his purchasing power halved when he goes into the market. This procedure of decreasing the value of the dollar in order to pay debts and enhance the price of commodities may benefit some classes, but it is going to be a terrific injury to the vast majority of our people, because the great majority of Americans are rendering service in gainful occupations. They do not sell commodities; they sell services. Every man who works for wages will have a reflection of devaluation in the reduced purchasing power of his wages to the extent of the devaluation. Every man who works for a salary will have the same experience.

Go down to one of the department stores in this city. It is owned, we may say, by 15 men. They get a devaluation of the dollar in order to increase the price of their commodities. They employ 200 people. They increase the price of their commodities, and therefore 15 men benefit; but they increase it at the cost of the 200 people who do not sell commodities, but who sell services for wages and salaries. That represents vastly more than 50 percent of Americans, something like 78 percent; and it is proposed by this means, in the interest of increasing prices of commodities, to injure the 78 percent of people who do not sell commodities, but who sell services—something like 49,000,000 of our people.

Mr. President, that is the serious thing here. Not only that, there are over \$17,000,000,000 of savings in the savings banks of America. That money has been deposited by the

finest type of American citizenship—the person who is frugal, who is industrious, who at the end of a week has budgeted his expenses and put by a little for a rainy day. That amounts to nearly \$20,000,000,000 today. What is to be done with that vast amount of savings? If the theory of the devaluation of the dollar to 50 cents is carried out, the savings of those people will be cut to that degree.

What else? There are 60,000,000 of our citizens who have taken out life insurance. There is scarcely a family in America that does not have some form or other of life insurance. The total of those life-insurance policies is over \$100,000,000,000. Those are the people who look forward to old age, to a rainy day. What is it proposed to do with the \$100,000,000,000? How will the 60,000,000 people be affected? The value of their policies will be cut in direct proportion to the increase of the price of goods or the devaluation of the dollar. The holders of those insurance policies outnumber 4 to 1 the debtors of America; and yet, on behalf of the person who is unfortunate in his inability to meet his obligations, we are proposing to reduce the savings of this group of American citizens!

Mr. President, I think the social element of this proposal is most serious. I do not know what is to be the outcome of a policy that is to say to the American citizen, "Do not save. You are foolish. There is no rainy day. Uncle Sam will take care of you when you get old. The Government will support you when you are out of work. You are foolish to save. Why do you not spend?"

There is not a virtue in the world so unpopular as national frugality. There is not a vice so popular as the spending of money. Nobody likes the tight-fisted. Everybody admires the open-handed. The popular fellow is he who showers his path with money; but what is to be the end in its effects upon our civilization?

Mr. President, when we forget this frugal, industrious class that is the very backbone of America, I think it is a serious thing. I will go as far as anybody to relieve the debtor through scaling down the obligation, reducing the interest, and giving him more time, if it is done in the interest of the public.

I am against foreclosures, and the needless taking over of property for debts. I will join anyone in attempting to relieve that situation. But I can never be led to do any injury irreparable to the best class of American citizens, people who are the very backbone of the United States, in order to do a thing that is of doubtful wisdom. That is the feature of this matter which disturbs me.

I asked a friend of mine in New York to give me a statement of his expense account. I knew the salary he was getting; he is one of the low paid men in one of the big corporations in New York. He replied:

My rent is \$50 a month. I could get it cheaper in the suburbs, but it would cost me \$10 in the way of commutation to get there. I am paying \$15 a month on furniture purchased when I first married, \$37 for food, \$8 for insurance, \$7 for light and gas, \$6 for laundry, \$4 for clothes, \$2 toward unemployment relief, and I am always to lay aside about \$4 a month in savings. It sums up \$133. My salary is \$140 a month. That gives me \$7 for incidentals, such as illness, pressing clothes, hair-cuts, and so forth.

Suppose we increase the cost of living by cutting the dollar in two; how much will that young man have left to pay on his debts? That case can be duplicated by a million cases of people paying small sums periodically in order that they may have a home sometime. Now, the proposal is to increase prices, by manipulation of the money, to such a point that a person like that either could not pay anything, or would have to reduce his standard of living below the American standard. That is not wise, it is indefensible upon any basis whatever.

Mr. President, these are the reasons I give to my constituents in Ohio as to why I cannot support such an indefensible program as is undertaken to be written here on the monetary question. I repeat, if devaluation must come, the profit, of course, should go to the Government, if that can be accomplished legally and honestly.

I also repeat, nothing is so important as to stabilize; but stabilization should be accomplished by an undoing of what

has already been done, and we should not now claim that because we have destroyed the elements of stabilization by going off the gold standard we cannot do anything more than what is proposed here. That is a poor excuse. Stabilization is the most important thing to be accomplished, but this proposal will not bring it about.

Mr. President, I have a very warm friend in Toledo who has written me upon this subject, not knowing just what was the proper position to take, and he asked me to give him my reaction. My address today is not an answer to him, but I have an answer, which I desire to have incorporated in the Record for his benefit.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the Record, as follows:

JANUARY 19, 1934.

MY DEAR MR. CRANDELL: I have your letter inquiring as to my reaction on the proposed devaluation of the dollar. I can give it succinctly.

The abandonment of the gold standard and a substitution of the rubber dollar was the most severe stroke against the revival of industry that could have been taken. It created an uncertainty that prevented any business or industry from entering into a contract that would be executed 6 months hence or at any time in the future for the reason that one could not tell what the value of the dollar would be at that time. It would necessitate writing into the contract the terms upon which it was to be executed—that is, on the basis of the value of the dollar at the time the contract was made—which, of course would be regarded illegal by the group now in control. Hence the refusal of any industry to take any risk, either in enlargement or continuing production to fill a future contract. That difficulty accounts for the refusal of business to revive under the uncertainty of the value of the dollar.

While the Government made the gravest blunder in abandoning the gold standard, and thus creating this uncertainty, any movement to stabilize the dollar will be an improvement, as it is the sine qua non of recovery.

The proper course would have been to have avoided entering into such a maze of uncertainty by abandoning the gold standard; but, since that has been done, the proper course would be to resume the gold standard; but there has been a creation of such prejudice, much of which is due to a lack of understanding, against that movement that the next best step, if it could be taken, would be to resume payments on a gold basis at some fixed value.

Stabilization being essential to revive industry, it is argued, the only thing that is left that may be done under the present state of the public mind—that state being purely political—would be to devalue the gold dollar. I am opposed to it, first, because it is confiscation, on the one hand, and repudiation, on the other.

It is confiscation in that it is taking from the owner without his permission an article at \$20.67 an ounce, for which the Government is offering to pay for foreign gold \$34.45. The Government proposes by its own dictum to declare this gold, for which it pays \$20.67 an ounce, to be worth in debt paying almost double that value, thereby creating by its fiat a profit of that amount with which it proposes to pay its own obligations as well as authorize all debts, public and private, to be defrayed by the devalued dollar.

In other words, the Government proposes the payment of debt by fiat paper in the form of bullion certificates, irredeemable, thus creating that much debt paying without increasing the wealth of the country by a single dollar. The proposal results in a confiscation by taking values without due process of law, and repudiation by debt paying through fiat certificates.

I am also opposed to it on the ground that in accordance with the theory of the program, the price of commodities is to be increased, which, in the final analysis will reduce in that degree the purchasing power of the dollar, which must fall most heavily on the vast majority of our people who are selling services instead of commodities. This is because salaries and wages do not go up with the cost of commodities, the result of the inflation of the dollar.

If we devalue the dollar, say, 50 percent, it means a 50-percent loss to labor, not because the nominal wage is reduced in dollars, but because the purchasing power of the dollar, which must be measured in the cost of living, will be reduced to the degree that the dollar is devalued.

Its chief hurtful effects will be reflected upon the break-down of the real wages of labor and what is known as the white-collared workers, and can be of nominal value only to the owner of commodities for sale and to the debtor, but in the last analysis, it will not be of real value to them. Its hurtful effects will extend to substantially all the people who are engaged in gainful occupations.

If a clerk in a store or a wage earner on the street is able to live on what he receives, and have a little left beyond the cost of living with which to pay on a home, he will under this scheme be compelled to extend all his wages for living expenses with nothing to be paid on a debt, or else reduce his standard of living to such a point that it will be in direct opposition to the stand-

ard which has become the envy of all of the people of other nations.

Then again, in all this there is a direct assault upon the foundation principle of the Federal Reserve System, which is permitted upon a gold basis with a 40-percent reserve to issue Federal Reserve notes to meet the trade demands. In this proposal we are eliminating the only feature, the redemption clause, that holds these Federal Reserve notes at par by substituting for the gold reserve written in the law bullion certificates. These certificates of themselves are worth nothing except the confidence that the holder might have in the Government's credit, which is a mere promise of the Government on identically the same basis as the greenbacks, since these certificates are irredeemable either on demand or in gold, the two necessary items to maintain the par value of currency.

Another most serious fact is that it is confiscation to the degree of the devaluation on all holders of insurance policies and owners of savings-bank accounts, which run beyond hundreds of billions of dollars and operate on more than 50,000,000 people, probably four times the debt represented by the mortgages that this proposal looks to scaling down. It will have a blighting effect upon all that large proportion of our population which, through industry and frugal habits, have laid aside something for the rainy day, which is represented not only by these insurance policies but by the nearly \$20,000,000,000 in the various savings banks. To the degree that the price level is thus increased by the break-down of purchasing power through the devaluation of gold will be reduced these sums laid aside by this industrious class of our population, and in the final analysis it will operate upon the debtor as it does upon the creditor.

The Federal Reserve System loses its gold, for which is substituted the bullion certificate, irredeemable. This bullion certificate instead of gold becomes the basis of the issuance of Federal Reserve notes. This item destroys the very foundation on which the Federal Reserve System is built, and instead of basing the issuance of its notes to be used as currency upon a gold reserve required to be deposited in the Treasury, they will be issued on a basis of a certificate representing so much bullion deposited in the Treasury, which under the law ceases to have any value, because it is no longer a commodity for which there is an exchange price.

It is true that there is an effort to meet this irredeemable feature by writing into the proposal that within certain limits gold may be bought and sold, but that feature does not give value to the bullion upon which circulation can be safely based.

A gold certificate today is worth the \$20 written on its face, because there is \$20 worth of gold in the Treasury that up to the abandonment of the gold standard could at any time be demanded in payment of the certificate. That redemption feature, on demand, kept that certificate at 100 cents on the dollar. The same thing is true in the silver certificate, which by the act of 1900 was based on the gold standard, and the same thing is true of all the types of money we have had in use, except subsidiary coin—whether it be Federal Reserve note, Federal Reserve bank note, national bank note, Sherman note, silver or gold certificate. They were all redeemable in gold, which was the factor that made them pass throughout the world for 100 cents on every business counter in any corner of the globe.

I will, therefore, have to oppose such a procedure on the basis of common ordinary honesty in my desire to maintain the integrity of the Nation, and especially on behalf of the millions of wage earners and white-collared workers, including the debt payer, who is going to be reduced in his purchasing power to the extent of any increase in the cost of living due to this devaluation.

It is an amazing proposal wholly on the basis of the redistribution of wealth by the use of such a method of carrying on this enormous Government-spending program, which, if continued throughout the year, will reach \$15,000,000,000, which, if unmodified, must lead to printing-press currency. When that step is taken we will be on the path that Germany took after the World War to the inestimable cost of all our citizens, with especially hurtful consequences to that class who had planned ahead of them for the future.

I am simply amazed over the lack of appreciation on the part of the average citizen to estimate these consequences. Mr. Bryan in his wildest dreams never approached anything equal to what is proposed here to be done.

Yours very truly,

Mr. FLOYD CRANDELL,
Toledo, Ohio.

Mr. FESS. Mr. President, one word in conclusion. Nearly all of the letters to which I have referred evidently have come in response to a request made that Representatives and Senators be written to and asked to support the President in his policy. Let me say once for all, I will support President Roosevelt devotedly in everything in which I think he is right. I supported him on 6 of his 10 major recommendations in the special session, in some cases with a good deal of doubt as to the result.

I could not support turning over the agricultural industry to a Cabinet officer, and I would not do so now. I could not support a suspension of the antitrust laws and a substitution of a gentlemen's agreement for them, and attempt to

regiment all industry and place the direction of it in Washington, D.C.

I could not support what I should regard as the most indefensible of proposals, the changing of the terms of a contract with the people of the United States by taking out a clause of the contract without the permission of the holder of the contract.

It does not suffice to say, "There are bloody bonds", as many of these letters say. Bloody bonds. Never was there such a campaign of bond selling since the morning stars sang together as that inaugurated by an able Secretary of the Treasury, now a distinguished Senator in this body. I responded to that campaign and did as other Representatives did, for I was then a Member of the House. I went to my home from Washington, at my own expense, which was the least a man could do, in order to help sell those bonds. We asked people to buy until it hurt, and I know that people bought when they had to sacrifice the absolute necessities of life in order to do so.

It does not do to say these are bloody bonds. That is only thoughtless passion, without the exercise of any judgment whatever. There can be no excuse for changing a contract which had been entered into 30 days before. I could not stand for that.

I cannot stand for anything I regard as unfair or dishonest, even though it is done by the United States. A code of ethics denounced in the transactions of men is not holy when exercised by the Government simply because the Government is doing it.

I supported the President with considerable intensity on the floor in the consideration of the Economy Act, a measure most unpopular in Ohio but one which was necessary as I saw it. Some wrongs were worked into that measure which ought to be corrected, and I shall use my influence to have them corrected, but I should vote against a repeal of the act itself.

In the future, as in the past, I will chart my course to support the President in everything in which I think he is right. When the President chose to take men off the dole and put them on a pay roll, I thought that was a wise course, and I so stated. The only difficulty about it is that we do not know where it will ultimately lead, and we must all realize the danger. I say here and now that in things in which I regard the President as correct, he will have no more loyal supporter than I am; but in matters in which I think he is wrong, I will not hesitate to say so here or anywhere else.

The very fact that men are asking us to give the President support without thinking or without study makes it necessary to analyze and criticize everything that is proposed, and I propose to follow that course.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 2284) relating to contracts and agreements under the Agricultural Adjustment Act, and it was subsequently signed by the Vice President.

THE TARIFF

Mr. HATFIELD. Mr. President, I rise to make only a brief address and, finally, to ask that certain documents which I will present be incorporated as a part of my remarks.

The transformation from America's former method of progress, which has been the pride of her public men of the past during 150 years of development, surpassing other nations in economic and social progress, is to continue under the new monetary program as projected by the administration; it is typical of all its present policies.

The changes wrought by the "new deal" as it applies to the farmer and to big business, resulting in the elimination of the individual man and the small industrial group, underwriting and tolerating a monopoly at the expense of the consumer, are in keeping with the observations heretofore made by me. We have now new and strange transformations conceived by the "brain trust" and sent to the Congress as a part of the unfinished program to be finally made an integral part of the new deal. I have been wondering

Mr. President, what surprise is yet in store before this transformation is completed to the satisfaction of those responsible for the new deal. Are we now to have an enabling act conceived by these economic visionaries to authorize the Chief Executive of this Nation to undertake that Herculean task of lifting the face of nature?

If I understand the President's program aright, he contemplates making over the industrial structure of our Nation. The old America is in financial ruins we hear, and a new one is now being erected in modern Nehemiah fashion. Industrial recovery, handicapped by the uncertainties of business and finance, made so by regulation in the way of Government interference, now faces renewed perils in the proposal to classify all industry, agriculture included, in six groups, in accordance with the presumed economic importance of each branch of industry in the United States. Agriculture and mining, which some Members of this body may consider safe under the recovery program, face the possibility of tariff reductions under this plan if the formula now set forth by the administration is to be followed.

The details of this new tariff program, I find, have been set forth in considerable detail in articles which I have clipped from the New York Journal of Commerce. I do not know the writer of these articles, but I presume from a reading of them that he has but little interest in the subject of tariff other than from a news point of view. The stories merely set forth the facts, which are illuminating, and the articles are so informative that I shall later ask that they be made a part of my remarks and incorporated in the RECORD.

Mr. President, abandonment or sharp reduction of tariff protection for industries which have not shown themselves as well suited in American environment is contemplated as part of the program for the supposed rebuilding of a foreign trade, which foreign trade, according to the findings of the United States Tariff Commission, at its peak provided employment for less than 600,000 workers, this at a time when from ten to twelve millions of our people, formerly employed in domestic trade, are dependent upon either private or public aid. This reminds me of the old adage, "Penny-wise and pound-foolish."

The abandonment of certain industries now may prove as disastrous in the future as did the lack of encouragement and protection given to other industries, notably the chemical industry, in this country before the World War, which conflict demonstrated their vital necessity both in time of peace and war.

A complex plan for the classification of all domestic industries to determine the economic importance of each to the United States on which to base a long-range commission policy has been worked out, it is claimed, by those directly in charge of governmental affairs.

From the best information I can gather, no industrial leaders, representing either the employers or the employees, have been consulted regarding this plan by the wise men of this period, who, in most instances, have little if any practical knowledge of the subjects upon which they are passing judgment. Nor do they seem to be concerned if certain industries face a complete loss of their invested capital.

George N. Peek, former Agricultural Adjustment Administrator, recently ousted from the Department of Agriculture because of his inability to subscribe to the theories of the theorists in control, has been selected by the President to draw plans and specifications for the creation of a new foreign-trade administration to create markets in foreign countries for our agricultural products. Every avenue of trade abroad is to be explored in this campaign and in this country, and every individual industry is to be fingerprinted and dealt with under charts developed by the theorists in control.

The practical experience, however, will be, Mr. President, if we are to judge the future by the past, that the home trade is the only trade upon which the farmer can depend for a market for his products.

President Roosevelt, it is understood, plans to ask the Congress to enact legislation giving to him alone the power

to set rates which may mean life or death for American industry—to manipulate tariff rates just as now he proposes to manage the currency of our country.

The president of the Pottery Workers Union of America informed me today that the pottery workers of this country are producing less than 50 percent of the pottery and china consumed by the American people yearly, due to cheap foreign competition which should be eliminated by an adequate tariff so that these workers would have at least 93 percent of the home market.

Our Nation has been sorely distressed, industrially and economically. If history correctly records the periodical depressions of the past some were as great or even greater in a distressful way to the generation of people who lived in those days. However, they did not theorize or carry on experimentations; they progressed out of such depressed periods through and by their own resourcefulness without interfering with any basic laws or by experimenting such as is the practice at the present time. This is sufficient to convince many of us that too much paternalism is a hindrance at this hour instead of an assistance. I do not feel, however, that the experiments now being made and those in contemplation will result in a greater degree of business improvement after they have been applied. The administration admits that the plans are nothing more nor less than continued experimentation. But when will this experimentation end?

I understand that the recently appointed Secretary of the Treasury has stated that the new program will give the administration a breathing spell—will lessen the tension until other steps are taken. I am wondering if the next step would be the early issue of non-interest-bearing bonds with which to redeem the outstanding obligations of the Government. I shall not be surprised if our financial experts tell us that we cannot raise sufficient revenue by taxation to meet the fiscal requirements of the Government.

The administration can hardly expect to increase returns from individual and corporate taxation if they continue to drive out of business such industries as do not qualify for continued existence under the plans of the theorists now in charge of the administration's mechanics.

Many of these industries are compelled to compete with the Government, financed with their own money, and in some instances it precludes them from doing business.

Naturally those who believe in the theory of international free trade and have had no practical experience in the management or operation of industries cannot be expected to advocate or recommend tariff rates which will make it possible for American industry to furnish employment to American labor at wages which will permit American workers to retain the standards of living which are higher than those in operation in other parts of the world.

It is possible that some Members of the Senate may be interested in preserving or in maintaining the right of American industries to continue to operate in America; they may have overlooked the information contained in the articles to which I referred as printed in the New York Journal of Commerce during the past few weeks. For that reason, Mr. President, I ask that these articles be printed as a part of my remarks and inserted at this point in the RECORD. I also desire to have printed in the RECORD, as a part of my remarks, a copy of a radio address on this subject recently delivered by the Honorable Matthew Woll, vice president of the American Federation of Labor.

THE PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

ROOSEVELT TO SEEK WIDE TREATY POWERS ON RECIPROCAL TRADE—IS SAID TO WANT CONGRESS TO FOREGO RATIFICATION OF PACTS, TARIFF CHANGES—TARIFF LAW MACHINERY IS HELD CUMBERSOME—PROPOSAL BELIEVED TO CONTEMPLATE PLAN TO RAISE AND CUT RATES TO FORCE NATIONS INTO LINE

By Clarence L. Linz

WASHINGTON, December 10.—Congress will be asked to provide legislation granting authority to the President to make such changes in existing tariff rates as he may deem necessary as an

inducement to foreign governments to enter into reciprocal trade agreements with the United States, it was learned here tonight.

Consideration will be given to this proposal as an incident to the liquor tax and tariff legislation that will be given a public hearing jointly by the House Ways and Means and Senate Finance Committees tomorrow.

It is understood that draft legislation already has been prepared by the administration. If this is adopted, the President would be permitted to make rate changes without resort to the present rather cumbersome machinery of the flexible provision of the Hawley-Smoot tariff law which has as its yardstick differences in costs of production at home and abroad. At the same time, under present plans, the approval of Congress to the rate adjustments and even the proposed reciprocal trade pacts themselves would not be required.

LONG STUDY IS MADE

For more than a year, the activity dating back to before President Roosevelt entered the White House, Democratic leaders have been studying the matter. It is asserted that now, when it has been found that the offer of an exchange with foreign governments for entry into our newly created liquor market is not a sufficient inducement to obtain for us broadened markets for our products abroad, this legislation is needed more than ever.

Means whereby the legislation in question can be enacted into law with minimum of opposition have been engaging the attention of administration leaders, it is understood. Fear is expressed by some that it might be couched in language giving the impression that the authority to be conferred on the President would be limited to the liquor market when in fact it would permit rate manipulation generally.

It is realized by the administration that downward revision of the tariff law is virtually impossible and any move in that direction would lead to further inequities occasioned by logrolling within Congress. It also is realized that resort to the flexible tariff provision of the law would be difficult of speedy success.

RESISTANCE ABROAD DEVELOPS

While foreign governments have shown marked interest in securing larger liquor quotas, they are not inclined to sell out their markets to get them. It is pointed out, for instance, that whereas our annual imports of distilled spirits hardly exceeded 4,000,000 gallons in peak years, domestic production has been as high as 93,000,000 gallons (1917). In wines the maximum of importations was 10,500,000 gallons in 1910, which is about 33 percent greater than normal, whereas domestic production runs up to about 60,000,000 gallons. The picture in respect of beer imports is even a sorer one.

What the administration advisers will ask Congress for, it is said, will be legislation patterned after the flexible-tariff provision freeing the President of the necessity of securing congressional approval of such tariff bargaining as he may undertake in the future.

It has been represented to the President by Members of Congress in the quite recent past that it perhaps would not be difficult to secure passage of legislation permitting negotiation of trade agreements if the administration will have incorporated in that legislation a proviso that bargaining pacts be subject to ratification by Congress.

ATTITUDE OF SENATORS

It is reported in informed circles that many Senators would approve reciprocal trade treaties giving the United States concessions abroad on agricultural products in return for tariff reductions in the chemical and metal schedules of our law in particular. However, it may be that rate reductions in the agricultural schedule may come also, it is rumored.

Administration leaders, admitting the futility of seeking a general revision of the tariff, have let it be known to representatives of foreign governments in Washington that in seeking reciprocal trade agreements, loopholes would have to be found whereby our tariff wall may be pierced or vaulted. Apparently the State Department has been successful in getting a foothold to negotiate trade agreements with Colombia and Brazil, although at a standstill with Argentina because of the complexities of the problems presented by the latter.

On the other side of the question there are some 60 or more industries that have made inquiries as to the possibilities of securing relief from import competition which they claim they cannot meet.

JOHNSON MAKES REPORT

About a dozen of these have been reported to the President by General Johnson. As a result, the President yesterday ordered the Tariff Commission to make an investigation with respect to imports of wood-cased lead pencils. This is the first action taken by the Chief Executive under section 3 (e) of the National Industrial Recovery Act, governing imports which become competitive to domestic products manufactured under codes or the terms of the President's reemployment agreement.

Before 1933 lead-pencil imports were chiefly from Germany, but this year there has been a large increase in shipments from Japan since, whereas less than 1,000 gross came from that country in 1929, the first 9 months this year the total reached 75,000 gross.

As a prelude to a definite move for this proposed legislation, Senator COSTIGAN, Democrat, of Colorado, former member of the Tariff Commission, induced the Senate to direct the latter to undertake the work of analyzing the composition of the import and export trade of the United States with each of the foreign countries with which we have important commercial relations.

NUMBER OF REPORTS MADE

The Commission has made a number of reports under the direction of the Senate, and these will be considered incident to the study that will be made of the testimony presented in the joint tax and tariff (liquor) hearings beginning tomorrow.

A list of tariff and other trade restrictions since January 1, 1922, by countries, a discussion of alternative sources of each, an analysis of the invisible items entering into the balance of trade with these countries, and other significant economic and competitive facts affecting our trade have been furnished.

The Commission also has furnished information under the following categories:

1. Tariff classifications, including grades and styles and articles in basket clauses of the law, with respect to which there were substantial imports from abroad in 1919 and/or 1929, but which have substantially lessened or ceased, and the cause thereof.
2. Articles of which imports in either 1927, 1929, or 1931 have represented less than 5 percent of the domestic production of similar articles.

FIFTY-PERCENT AD VALOREM RATES

3. Articles on which tariff rates exceed 50 percent ad valorem and the quantities and values imported, and the domestic production in the years named.
4. Dutiable articles, the imports of which have increased in quantity or value since 1929.
5. Statistics showing quantity and value decreases of United States exports.
6. Extent of the exportation of American capital to build factories abroad.
7. Value and quantity of imports which are more or less non-competitive with domestic production and in which foreign countries possess advantages in production, including seasonal advantages, or as to which the foreign product has some unusual appeal to purchasers in the United States, particularly in the case of Canada, Spain, Belgium, Italy, Czechoslovakia, Mexico, Argentina, Russia, China, and Japan.
8. Ways and means for tariff bargaining as may appear relevant for most advantageously promoting expanded trade between the United States and foreign countries.

PEEK PLAN TO EXPORT SURPLUS FARM CROPS UP TO PRESIDENT—FAVORS SETTING UP FOREIGN TRADE ADMINISTRATION TO CARRY OUT PROGRAM—MAY FORM ANOTHER UNIT TO UNDERWRITE DEALS—EXECUTIVE COUNCIL ALSO CONSIDERS MOVE FOR ROOSEVELT TO ASK WIDE POWERS TO ACT ON TARIFF

By Clarence L. Linz

WASHINGTON, December 26.—A broad outline of policy for the development of new agricultural export markets was today placed before President Roosevelt by George N. Peek, former Agricultural Adjustment Administrator.

The report carries the results of the studies made by Mr. Peek and his associates at the direction of the President and contemplates, it is said, the setting up of a foreign-trade administration, which Mr. Peek will head, and possibly a corporation which would underwrite, in whole or in part, the sale of American agricultural products abroad.

SUGGESTS TARIFF POWERS

Coincident with this activity the President's executive council is understood to be working on a plan whereby Congress would give broad tariff powers to the President to enable him to carry out features of the Peek program.

The new foreign trade consultant declined to go into details of his proposals, following his talk with the President today, explaining that he is to return later in the week to go over the matter more fully.

For some weeks now representatives of the State, Commerce, and Agriculture Departments and of the Tariff Commission have been discussing the character of proposed legislation making possible the negotiating of reciprocal trade agreements with foreign nations, based on tariff-rate reductions, without requiring ratification by Congress.

While not overenthusiastic about the proposal, it is understood that the President has told its sponsors to go ahead and work it out to see what it looks like after it is reduced to writing. It is said to be the President's political instinct that Congress should be asked for nothing in the way of tariff revision beyond some obviously necessary changes in rates on wines, beer, and liquors.

The President is declared to realize that, unless it develops he is in complete control of the Congress, it might be a fatal mistake to set it to the task of making material changes in the tariff law. The same matter was before him last spring and all was in readiness to spring the plan on the Senate and House when the President is said to have sensed the possibility of a defeat of the legislation.

URGED TO ASK AUTHORITY

But the tempting possibilities of reciprocal trade agreements, made particularly manifest in the parceling out of liquor quotas, are being so attractively laid before him that the so-called "liberals" among his advisers are pressing Mr. Roosevelt to resort to this proposed departure from present tariff policies and ask Congress to divest itself of tariff rate-making powers, within certain specified limits, surrendering them to the Chief Executive.

The argument is that if it is useful to the Government to use the trading possibilities offered by our newly created liquor mar-

kets it certainly would be beneficial to the country to make permanent a system for bargaining for tariff benefits. The quota system, although much used in Europe recently, and is now applied to our liquor imports, is new to American foreign trade.

The President, since his inauguration, has leaned to the bargaining tariff principle, but his political astuteness kept him from pressing the matter strongly at the special session last spring and so far has kept him from reaching a determination as to what powers, and in what manner, he would ask Congress in the form of appropriate legislation.

In order to effectuate the necessary administrative control to facilitate the negotiation of trade agreements, it is revealed in informed quarters, the sponsors of the plan propose that the President be empowered to prescribe more detailed classifications within any present tariff classification and to lower the applicable rates of duty within certain specified limits, presumably 50 percent. There is talk also of providing for the licensing of all importations of any general or detailed classification and for the allocation of American markets therefor on an allotment system.

FINDINGS SUGGESTED

For legal reasons, it is explained, the exercise of these powers should be made conditional upon the President making certain findings of fact. The proponents of the plan suggest that these findings be—(A) that such action is necessary to bring about satisfactory trade agreements, and (B) that such agreements adequately compensate the United States for any concessions granted in the domestic market.

The plan goes further than has been indicated in the gossip here, it is averred. It is declared by the tariff planners that if American export trade is to be restored to anything like its former proportions, the United States must enlarge its import markets and to do so must lower existing tariff barriers.

This leads directly to the setting up of a Government authority, possibly even the new Peek organization, which would survey the whole field of foreign and domestic commerce and arrive at conclusions as to the economic value of various industries. Some, it is pointed out, inevitably would be found, operating now under the protective tariff, to be uneconomic and should be sacrificed in order that a foreign country, producing similar goods at a lower price, might find a market for them here in order that such a country might be able to buy more of standard American products.

It is learned that the Tariff Commission has placed in the hands of Mr. Peek and his associates information showing not only our trade with foreign countries but the trade of the latter with each other, indicating markets abroad that might be opened or expanded for our goods and means for assisting them in getting their merchandise into our markets. This confidential document is said to be "one of the finest pieces of work" ever done by the Commission.

CITES NATIONAL PLANNING

"Standard American products" are denominated as agricultural products. It is pointed out that in respect to the latter there already has been undertaken a system of national planning with the attempt at avoidance of overproduction by acreage controls. Under the codes formulated by industries and the National Recovery Administration, there is the framework for national planning for the products of factories and mills.

Here is the start of allocation of all production among the different units of industry and agriculture. Therefore, it is argued, that if there is in fact to be national planning on so broad a scale, it is but natural that authority over import duties should be vested in the Government.

Because they consider tariff-making an essential part of the general scheme of things as they have worked it out, these liberals among the President's advisers are pressing the latter to approach Congress on the question of granting him authority to manipulate tariff rates when, in his discretion, this appears desirable. They contend that this would be no greater menace to industry, if menace it could be called, than the authority vested in the President under the National Industrial Recovery Act to dominate all industry. They add that if the program is to be carried out according to the general plans for economic recovery this new power is necessary.

TARIFF POLICY HERE NOW FACES CHANGE TO AID UNITED STATES EXPORTS—MAY DROP OR SHARPLY CURTAIL PROTECTION IN LINE WITH NEW UNITED STATES ECONOMIC POLICY—TRADES BEING CLASSIFIED TO DECIDE NEED OF DUTY—PURPOSE IS TO DETERMINE INDUSTRIES UNSUITED TO AMERICAN PROGRAM UNDER THE "NEW DEAL"

By Clarence L. Linz

WASHINGTON, January 1.—Abandonment or sharp reduction of tariff protection for industries "which have not shown themselves as well suited to American economic environment" is contemplated as a part of a program for the rebuilding of our foreign trade now being considered by the Executive Commercial Policy Committee of the Roosevelt administration.

A complex plan for the classification of all domestic industries to determine the economic importance of each to the United States, on which to base a long-range commercial policy, has been worked out by Committee experts, it was revealed here today.

This plan is believed to be the groundwork for the contemplated proposals to Congress which President Roosevelt last week made known he would present. It is an elaboration of the program which was to have been urged upon the National Legislature last spring.

PURPOSE OF PROGRAM

The primary purpose of the program appears to be the selection of those industries that legitimately may be "sacrificed" in the best interests of all, the President being authorized by Congress to be the judge. Leaders in House and Senate, it is learned, are awaiting the decision of the administration as to a new tariff policy before proceeding with the formulation of contemplated reciprocal trade legislation.

The experts of the Executive Commercial Policy Committee, of which Acting Secretary of State Phillips is chairman, have, in their memorandum, attempted to sketch a new line of principle to serve as the basis of a long-term policy. They assume that a bill is to be introduced in Congress to give the Chief Executive the power to modify existing duties upward or downward within limits, and to otherwise regulate imports, and the report is further intended to suggest the policy basis on which Congress and the country may be approached for the grant of power. In other words, it is a rough plan for the beneficial exercise of Executive power.

If the long-term commercial policy is to be established, it is contended, it will be essential that the Executive be vested with some measure of authority, not only to modify rates but to employ such other measures as may be deemed suitable for regulating import movement of goods.

POSITION OF CONGRESS CITED

The Executive alone, it is asserted, could develop a plan which represents the national outlook and which continuously demands necessary technical information. Tariff-making by Congress, it is pointed out, inevitably results in conflict and bargaining between local interests with no clear conception of the situation created for export industries.

Congress must pass on both the plan and the general policy and upon its execution, but cannot be expected to legislate details of a long-range plan, it is explained.

Each branch of the primary industries of the country (including in the term all agricultural and extractive industries) would be graded as a means of defining their place in the commercial policy scheme. Each industry would, after the fullest possible study, be placed in one of perhaps six broad grades or classes. These grades would be based upon a "complex basis", indicating the utility of the industry to the country and its proper place in the scheme of commercial policy.

Among the features of the industry suggested to be considered in grading, the following, it is said, will have a natural place: (a) economic suitability to the United States as measured primarily by past efficiency; (b) possible contribution to national defense; (c) wage levels and other indications of general social utility; (d) the number of people employed and size of vested interest represented; (e) geographical distribution; (f) alternative sources of foreign supply; and (g) mutual dependence for proper operation of each industry on others.

SUGGESTS GRADE PLAN

The report tentatively suggests that grades be developed somewhat as follows: Grade A would increase the normal export industries requiring substantial foreign markets if the economic relationships within the United States are to be brought into easy balance without large interior movements of operation embracing such products as exportable agricultural supplies (cotton, wheat, hog products, and apples) and those mass-production manufactures which have set the pace in raising wages and increasing per capita production of the country (automobiles, agricultural machinery, electrical apparatus, etc.). Some of the commodities in this grade might continue to carry protection; for others it would be wholly unnecessary.

Grade B industries might be those slightly less marked than those in grade A for general effectiveness, taking in industries which, on the whole, have shown the power to sustain themselves against foreign competition without assistance, which employ large numbers of workers and which turn out satisfactory products at reasonable prices. In this category would be various lines in the chemical and metal industries, much of our iron and steel production, staple textile industries, shoe industries, etc., the report suggests. Industries in this category, however, would be protected at this time of emergency from any marked increase in foreign competition.

INDUSTRIES IN GRADE C

Grade C would include industries that do not qualify under the preceding classifications on the ground of general effectiveness, but which are deemed in part or in whole essential to national defense—chemical industries, shipbuilding and, perhaps, certain minerals. But in some instances in respect of these commodities and services instead of tariff protection it is suggested in the report some form of subsidy arrangement might prove preferable.

Towards commodities in this grade, decision would have to be reached as to the minimum protection necessary to sustain the minimum deemed necessary for national defense, it is suggested by the experts. It might be found in the case of certain of these commodities advisable to supersede ordinary tariff arrangements by market allocation arrangements under which minimum domestic production would be assured without closing the market to foreign production and thereby maintaining unnecessarily high prices, they explained.

In connection with the whole grading process, but more particularly with the industries in this grade, it is admitted, account would have to be taken of the most available geographical sources of supply.

TRADES CONSIDERED UNSUITED

Grade D would cover a large variety of industries which have not shown themselves well suited to American economic environment. They might be assured of a certain maximum measure of protection but, beyond that, would be required to sustain themselves against foreign competition. This grade might be divided in two subgrades according as to whether the particular branch of the industry was an important factor in maintaining other branches, whether suited, or according to the numbers employed, etc.

In this intermediate grade D would come a great number of minor industries, and, as an example, textile specialties requiring too much changing of pattern and design to be successful in the United States are named. It is suggested also that there are certain types of glove manufacture and certain branches of agriculture, such as hides, falling in this category.

Grade E would include, under the plan, industries that have some foothold in this country but which, on the whole, are a burden because they possess so weak an economic basis or because they have exhausted their basis. It is averred that these industries at the present time often have the highest rates of duty and "despite that fact are only struggling along."

ITEMS ARE LISTED

"Manganese, chromium, quicksilver, laces, and other typical hand-labor industries and certain agricultural products, such as pineapples", are listed by Committee experts as evidences of what they have in mind.

"If it were not for long tradition through which the sugar industry has established so strong a place for itself," they added, that industry would probably be put in this classification. In these grades would probably come minor or luxury branches of industry requiring large amounts of hand labor and employing only small numbers of workers; for example, certain types of the "higher class woollens and certain types of wine and spirits production."

Grade F would embrace the commodities for the production of which the country is wholly unsuited and which are primarily at present on the free list—coffee, tea, tin, rubber, and bananas.

"Care should be taken", the report concludes, "against the expectation that the plan could be fulfilled in detail. Likewise care would have to be taken to make it perfectly clear that no immediate tariff adjustment was in contemplation."

LEADERS WILL URGE PRESIDENT TO FOREGO ASKING TARIFF POWER—SENATORS FEAR CONSEQUENCES FOR HOME STATE PRODUCTS UNDER SUCH PROGRAM—LONG LIST OF ARTICLES WOULD BE HIT BY PLAN—REPUBLICANS SEE DEMOCRATS FACED WITH STRONG PROTESTS ESPECIALLY ON ALL FARM GOODS

By Clarence L. Linz

WASHINGTON, January 14.—Fearful of the possible loss of the protection against foreign imports now accorded the commodities of their respective States, Members of the Senate were said tonight about to urge upon President Roosevelt that he refrain from asking Congress to grant him the broad tariff powers he favors.

This became known when it was indicated by the President that he awaited the return to Washington of Secretary of State Hull to go into the matter; that the report contemplating planned economy for the United States with the classification of all commodities into groups ostensibly for the survival of the fittest, and the Peek report proposing to create the foreign-trade administration, are already on the President's desk, and that the Senate Democratic policy and the Democratic steering committee recently held meetings at the Capitol at which these matters were discussed.

ARTICLES ARE LISTED

Long-staple cotton, olive oil, citrus fruits, winter vegetables, copper, asbestos, casein, cattle, and hides, among a multitude of things, were listed by the Senators as hardly entitled to the tariff protection made possible by the Hawley-Smoot tariff law, if the rules proposed by the commercial policy committee of the administration are to prevail.

The long-staple cotton duty of 7 cents per pound is a sort of fetish in Mississippi where, it is said, Senator PAT HARRISON, chairman of the Senate Finance Committee for perhaps the first time in 15 years, is experiencing political difficulties.

From the standpoint of California, tariff reduction on olive oil, oranges, lemons, citric acid, and even agar-agar is anathema to Senator McADOO of that State, and he so indicated the fact, aided by the opposition also voiced by Senator HARRISON, in the meetings of the policy and steering committees.

Senator FLETCHER is jealous of the protection afforded the leading commodities (from a tariff, if not an economic standpoint) of Florida, including pineapples, citrus fruits, and winter vegetables.

ATTITUDE ON COPPER

The copper bloc in the Senate was elated when it secured tariff protection in the revenue bill for that commodity, having failed to get it in the tariff bill. They have felt that in its present position the copper duty would not be subject to reduction under the flexible-tariff clause, but under the administration's protective-tariff policy there is no such guaranty.

The home State interest of Senator ASHURST, of Arizona, in copper and asbestos, has heretofore been manifested. Senator WHEELER, of Montana, has a similar interest in the red metal, and he is joined by Senator KEY PITTMAN, of Nevada, President pro tempore of the Senate.

The 75-percent duty on hit-and-miss rag rugs is looked upon as an aid to Georgia, and Senator GEORGE, of that State, it is asserted, would not like to see it disturbed. This Senator also found it difficult not to accept the present high rates of duty on rayon.

Senator ASHURST does not like the idea of the possible invasion of winter vegetables from Mexico. The chance of a reciprocal trade agreement with that country that would open our doors to these has been under consideration by certain railroad officials who have in view increasing the refrigerator-car service of their roads in such event.

POSITION OF OTHER SENATORS

Senator TYDINGS, of Maryland, also is interested in the tomato tariff—and in rayon duties. Senators CONNALLY and SHEPPARD, of Texas, doubtless would receive the protest of their constituencies if cattle duties were to be disturbed.

The Senators named are members of the Democratic committee. The personnel of the all-powerful Democratic steering committee includes Senators JOSEPH T. ROBINSON, Arkansas; FLETCHER, Florida; ASHURST, Arizona; SHEPPARD, Texas; KING, Utah; McKELLAR, Tennessee; GEORGE, Georgia; COPELAND, New York; WHEELER, Montana; TYDINGS, Maryland, with LEWIS, Illinois, and BLACK, Alabama, ex officio. Senator GEORGE alone of the group was absent from the meeting when about 45 minutes was devoted to the tariff matter.

The Democratic policy committee, which spent about the same amount of time on the same subject, it is said, consists of Senators ROBINSON, Arkansas; HARRISON, Mississippi; PITTMAN, Nevada; GLASS, Virginia; WALSH, Massachusetts; DILL, Washington; BARKLEY, Kentucky; WAGNER, New York; CONNALLY, Texas; BULKLEY, Ohio; BYRNES, South Carolina; GORE, Oklahoma; and McADOO, California.

CONGRESS VIEWS OUTLINED

The feeling in Congress generally has been that agricultural rates under the new deal are sacrosanct and not to be disturbed. Now there is the feeling, for instance, that the influence held in some quarters responsible for saving the plate-glass duty from a reduction in the face of a Tariff Commission report said to justify a cut is capable of forcing a showdown on certain favored farmer rates.

It is only a step backward through automobiles, it is pointed out, through tires and brake linings, to textiles (tire fabrics) and long-staple cotton. Automobile manufacturers do not seek justification for tariff protection for their product. They are interested in finding markets abroad for automobiles and subscribe to the theory that one cannot sell in a country from which this Nation will not buy. On the other hand, in face of a 7-cent per pound duty, the Tariff Commission lists long-staple cotton in the group of "dutiable articles more or less noncompetitive and with respect to which foreign countries possess advantages."

Like the automobile manufacturers, President Roosevelt and his advisers are desirous of opening up foreign markets, but for agricultural products. Thus far a great deal of resistance has developed abroad to such program. Italy, it is asserted, is as much or more interested in increasing her United States markets for olive oil as in selling more women's wool felt hats and hat bodies here, now at the subject of tariff discussion.

REPUBLICANS LESS CONCERNED

Republican Senators, in lobby conferences that have been going following the airing of the administration's proposed new tariff program, declare that their Democrat colleagues have more to fear than they have. Republicans point out that in the drafting of the Hawley-Smoot law the Democrats in some instances were able to get tariff protection for their home State products without showing their own interest, and in other cases by joining in logrolling proceedings such as brought about the tariff on lumber and copper among other commodities.

Now they will have to do their own fighting because the onus is on their party.

The Peek report proposes the setting up of the foreign-trade administration, to which would be delegated some of the foreign-trade functions now possessed by the State and Commerce Departments in particular, and possibly also those of Agriculture. It could not be ascertained what part the Tariff Commission would play, but assuredly it will be prominently in the picture.

The Commission already has furnished very voluminous reports, on some of which, it is said, the planned-economy program was predicated. For instance, in this scheme the right of tariff protection would be questioned in the case of commodities not deemed particularly well suited to the economic environment of the United States.

REPORTS REFERRED TO

One of these reports tells also of dutiable articles of which imports have represented less than 5 percent of the domestic production; tariff classifications with respect to which imports have substantially lessened or have ceased; articles on which the tariff rates exceed 50 percent ad valorem; separate lists showing agricultural products carrying tariff rates in excess of 50 percent; the equivalent ad valorem of present rates based on average prices from 1920 to 1929 and, among other things, the extent of exports of capital from the United States employed in production abroad.

The discussions which prompted this story were not to be interpreted as exclusively defending the present existing and heretofore adopted tariff policies of the Government but rather to point out

the obstacles to the inauguration of a new and revolutionary program.

In foreign circles in Washington it is asserted that even with the limitations that are placed upon the Roosevelt administration, the so-called "exhaustive explorations" of commercial advantages discussed in official quarters are more exhaustive of foreign than of domestic possibilities.

REACTION IN COLOMBIA

In Latin America, it is reported here, the reciprocal trade agreement that was signed on December 15 by Acting Secretary of State Phillips and Dr. Fabio Lozano Torrijos, on behalf of Colombia, is being ridiculed. El Spectador, of Bogota, contained a cartoon by Arango of a man crucified attacked by buzzards, apparently intending to show American domination.

"In Colombia", a report to Washington asserted, "the treaty had the worst reception imaginable, judged by the statements made by the press of all parties."

"The big complaint is against the development of Colombian national industries having been promoted under shelter of high tariff on imports which now, to satisfy the United States, is to be lowered, much to the detriment of those claiming to have made strong investments to establish new industries."

The treaty has not yet been made public, but it is said that on our part the United States covenants not to impose tariff duties on coffee and platinum, it being expected, of course, that there are other concessions, although probably of like character.

ROOSEVELT CONFERS WITH HULL ON POLICY OF RECIPROCAL TRADE—CUBA IS SAID TO HAVE FIGURED IN TALK WITH PROMPT MOVE SEEN ON SUGAR DUTY—REDUCTION ON RAW SUGAR UP TO 55 CENTS IS UNDER STUDY—PROCESSING TAX ALSO PROBABLE—TARIFF BOARD LISTS CHEMICALS, DYES FOR REDUCTION IN RATES

By Clarence L. Linz

WASHINGTON, January 21.—A picture of affairs in Latin America was presented to President Roosevelt late this afternoon by Secretary of State Cordell Hull, who returned to Washington today from his tour of South America and attendance at the Montevideo Economic Conference.

Invited to take tea with the President, the White House visitor is understood to have related in detail during a conference of about an hour and a half those things which are of particular interest to the United States developed by and revealed to the State Department head in his travels.

CUBAN SITUATION DISCUSSED

In this discussion, it is said, the Cuban situation loomed big. Mr. Hull returned to Washington about 5 days ahead of his schedule, it being presumed that this was occasioned by the Cuban situation and the desire of the President to initiate his proposed new tariff policies so as to be able to do something more or less spectacular evidencing our friendship for our neighbors on this hemisphere.

It was indicated late last week that the President was preparing to discuss with the Latin American Governments the matter of recognition for Cuba. It also was made manifest that we would take steps to give our approval to the new Government in Cuba within a week or 10 days. To accomplish both of these desires the President sought from the head of his Cabinet data concerning intimate viewpoints and political repercussions in the countries to the south of us.

It has been made known that just as soon as the Cubans set up a government strong enough to give evidences of some degree of permanency, the United States would want to take some forward steps toward aiding the island Republic with its economic problems. To that end renewed study has been given to the report of the Tariff Commission which, it is said, would justify a rate of reduction on Cuban raws of up to 55 cents per 100 pounds.

PROCESSING TAX SEEN

While it is probable that such reduction would be followed by the application of a processing tax of perhaps one half cent per pound upon all sugars, it is figured Cuban producers would benefit at least one fourth cent per pound on their exports to the United States based on a quota of 2,000,000 tons annually; this of itself would mean an added income to the Cubans of at least \$10,000,000.

The main concern here at this particular moment is how to deal with South American countries. Brazil has been slow to accept proposals for a reciprocal trade agreement, perhaps deterred from speedy action by the sentiment in South America against such agreements, it having been said in the press of Colombia that the pact with that country threw open its markets to United States industrial products while offering little of real value in return.

It could not be learned whether the President discussed with Mr. Hull the matter of the enactment of the Johnson bill which would deny this market to new securities offered by defaulting nations. This was given consideration by the President last Wednesday and again on Thursday when Senate leaders visited the White House.

EFFECT ON SOUTH AMERICA

Such legislation would have a very definite effect upon South American countries.

The Peek plan, proposing coordination of all Government activities having to do with foreign trade and the creation of a foreign-trade administration, and the proposal of the Commercial Policy Committee for the classification of all industries of the United

States into six major groups for tariff and reciprocal trade agreement purposes are on the President's desk awaiting to be taken up with Secretary Hull.

It was reported in Washington tonight that the State Department would oppose any elaborate plan for the coordination of activities such as was presented by George N. Peek, former Agricultural Adjustment Administrator, in a chart given the President.

For instance, if carried out literally, this program would bring into the proposed foreign trade administration the Tariff Commission, consular and commercial attaché activities of the Department of State, and foreign-trade functions of the Commerce and Agricultural Departments.

Such program would be far too ambitious to please other Government agencies. When whittled down to proper dimensions, it was asserted here tonight, the Peek organization would parallel the Agricultural Adjustment Administration or the National Recovery Administration.

PEEK STATUS STRESSED

That would leave intact the permanent agencies of the Government and leave the Peek organization an emergency agency.

Possibility is foreseen of setting up as a subsidiary of this a financing corporation which would receive monetary aid from the Reconstruction Finance Corporation to assist in the promotion of Russian trade. Other governments, it is pointed out, have provided aid to exporters to the extent of from one third to two thirds of the amount of sales to the Soviet. The Roosevelt administration has been giving some consideration to such plan, although nothing definite has been arrived at.

In the event of providing financing for sales to Russia, the terms of credit naturally would have to be worked out. It is said that the maximum allowance would be 4 years, in the case of capital goods, while on such things as cotton and commodities going immediately into production and sale the terms would range from a comparatively few months to the maximum of 4 years.

INTEREST IN LONG-RANGE PLAN

The proposal to group all industries under a national planning scheme has evoked a great deal of interest throughout the country, judging from the volume of letters received in Washington.

Experts working on Tariff Commission reports are developing units of industries that might well be spared without menacing the economic stability of the Nation. One group, it is indicated, has been giving attention to the chemical schedule finding any number of commodities which might suffer a slight loss of protection without menacing the industry. In fact, it is admitted that some branches of capital industries would find it extremely difficult to justify duties contained in the Hawley-Smoot Tariff Act.

Reference has been made to coal-tar products. Decreased imports in 1932 were attributed by the Tariff Commission to transfer of production to foreign-owned plants in the United States, production at these plants having increased substantially in recent years. There were practically no imports of low-priced dyes (sulphur, black, and indigo).

DYES ARE LISTED

It is stated that a separation could well be made in the paragraph of the law covering dyes, so that a rate lower than that prescribed might be provided for types of dyes which we do not manufacture in quantities sufficient to meet domestic requirements. It will be argued that high-priced dyes should not be made to bear the burden of resisting rates merely to bolster the domestic industry by inducing use of products in substitution of the imported ones.

Whiting has been selected among others as a commodity which, perhaps, does not warrant present protection.

The United States has imported as high as 80,000,000 pounds in 1 year. The chalk is imported and ground in the United States, and it is asserted this business could be left to Belgium, France, or the United Kingdom.

Manganese compounds and salts are referred to as products which might well be imported, if it is decided against fostering manganese production in the United States. Antimony oxide, antimony sulphides, and salts and compounds are listed as good subjects for admission from abroad if China or the United Kingdom is given entry into American markets.

The duty on menthol is so high, it is argued, as to discourage imports. It is charged that this duty has been made too high in the interest of hardwood distillation, the commodity now being produced synthetically. With a tariff of 18 cents per gallon, imports of synthetic methanol, which began in 1925 and reached a peak of 1,710,470 gallons in 1927, dropped almost to nothing in 1932.

BUTYL TARIFF HIGH

Similarly, the tariff on butyl acetate is so high that none comes in, although formerly considerable quantities were imported and there was rather a notable case of dumping of the product. Interest has been shown in the possibility of reducing the tariff on all solvents and solvent materials which are used in the paint and varnish and automobile industry. It is pointed out that in 1933 there was a shortage in production of acetic acid and imports from Canada were necessary. Imports were the highest on record and were attributed to the pick-up in the automobile industry.

Reports of the Tariff Commission, it is said, show many opportunities for tariff reductions to afford a market for foreign prod-

ucts. Warning is given, however, that for some of these, great care must be taken, because even a slight reduction might bring disastrous results in the home market.

Secretary of State Hull is not particularly concerned with such individual items just now, it is indicated, but is more interested in setting up a new foreign-trade policy for the Government. However, the knowledge that such a program is under consideration is concerning affected interests, who are attempting to figure out where they would stand under the operation of the Hull-Peek program.

PROTECT EMPLOYMENT OPPORTUNITIES FOR AMERICA'S WORKERS

(Radio address delivered by Matthew Woll, president America's Wage Earners' Protective Conference and vice president American Federation of Labor, Tuesday, Dec. 19, 1933)

To the worker, employment is of supreme importance. The right to "life, liberty, and the pursuit of happiness" loses much of its significance to the worker where he is denied the right to work. For regular employment means both security and self-support. It means a stable citizenship. Wage earners and small-salaried employees are indeed grateful for the many efforts being made to provide employment for the millions of those unemployed.

There are those who hold that it is impossible to restore economic equilibrium to the United States while the rest of the world is either in the throes of internal disruption or upon the verge of bankruptcy and that, therefore, economic as well as political isolation is more and more an anachronism. It is they who are most vociferous in their declamations that the cure for the present depression and for unemployment is the development of the export market.

Our attention is constantly directed to the estimated loss of \$2,000,000,000 a year due to our reduced foreign trade. Varying and conflicting statements are prescribed as to the number of workers that would be reemployed, if exports were encouraged.

But what are the facts?

In 1929 the Ways and Means Committee of the Congress issued a report showing that there were some 45,000,000 American workers gainfully employed interested in or affected by tariff legislation. This report also made it very clear that there were but some 600,000 industrial workers actually employed, in peak times, in producing manufactured goods for export.

The United States Tariff Commission, in a report recently sent to the United States Senate, states. I quote:

"The number of factory workers engaged in producing articles for export fell from about 658,000 in 1929 (the peak year) to 364,000 in 1931, a decrease in round numbers of 300,000."

After referring to the total number of persons engaged in industrial and agricultural production for export employed in 1929, who were unemployed in 1931, the Tariff Commission further states. I quote:

"The aggregate decrease in employment resulting from the reduction in all exports (both agricultural and manufacturing) between 1929 and 1931 was, therefore, in the neighborhood of 500,000."

In other words, the Tariff Commission's investigation indicated in effect that if our exports were increased to the amount having prevailed before 1929, but 500,000 would be reemployed in both industry and agriculture. This represents less than 4 percent of our industrial workers who have been unemployed. Wage earners of America may, therefore, be rightly alarmed at the urgency of the proposal made to increase our exports when it is self-apparent that increased exports must necessarily be accompanied by an increase of imports and, therefore, a consequent and perhaps greater loss of domestic employment due to an enhanced foreign competition in our home market.

In hundreds of thousands of instances the question of tariff rates means employment or unemployment to American industrial workers. Raise tariff rates in certain commodities and you make possible continued employment and the maintenance of proper standards of living and conditions of life. Lower rates and the reverse happens. For these reasons great uneasiness prevails amongst hundreds of thousands of our industrial workers who are unable to understand the undue stress which is being laid upon the value of export trade.

Workers are also aware of the fact that our manufactured goods for export are produced mainly in mechanized mass-production factories, operated by concerns known for their indifference or hostility to labor and where labor costs are relatively small. The report of the Tariff Commission evidences that of the 294,000 industrial workers employed in 1929 in production of manufactured goods for export who were unemployed in 1931, 175,000, or 48 percent, were formerly employed in the production of metals, machinery, and automobiles. I need not dwell on the type of working conditions or the wages paid to these workers. The employers in the class just referred to are conspicuous for their evasion, if not denial, of the right of workers to organize and to bargain collectively—industrial relations made mandatory under the N.R.A.

The exigencies of the Recovery Act have focused more and more attention upon the proposal of arriving at reciprocal agreements whereby detailed and selected concessions are made in return for similar ones. These agreements are sought through bilateral treaty negotiations rather than multilateral arrangements. To date only one such treaty has been signed. Colombia has agreed to certain concessions on American goods in return

for our promise to retain coffee and bananas on the free list. While this treaty has been signed, it must, of course, receive the required legislative ratification before it goes into effect.

This policy of reaching reciprocal agreements is one which may not be inconsistent with the Recovery Act. By a studied selection, a number of commodities can be found which are not produced in important quantities in the United States and which are regularly supplied in considerable quantities by foreign countries. Similarly, we ship certain articles to other countries without competing with important domestic industries within their borders. In this field, though greatly limited, trade may be fostered without injury to domestic industries of the contracting states.

However, labor is apprehensive and greatly disturbed lest authorization be given to agents of the Federal Government to enter into reciprocal trade treaties with foreign governments and, as an incentive to foreign nations, reduce or enable the reduction of our present tariff duties by 50 percent without further action either on the part of Congress or the Tariff Commission.

Such unrestricted legislative authorization would prove extremely dangerous. Then, too, a complicating factor lies in the so-called "most-favored-nation clause" in a number of existing treaties. On this subject, however, Secretary of State Hull made an important pronouncement at the Pan American Conference at Montevideo only a few days ago. For years the United States has maintained that the most-favored-nation clause automatically conceded to all countries which had this clause in a treaty with a given country the same concession which the latter country gave to another. Secretary Hull has now accepted what may be called the European view, which is that the other countries receive the concession only on condition that they make the same reciprocal concession for which the favor was granted.

In venturing into and applying the method or process of trade treaties with foreign governments it is essential that workers should have an opportunity to be heard. It is equally important that participation of labor, as at present made possible and available through an appeal to Congress and through direct representation on the Tariff Commission, should in no way be lessened, but be increased.

All evidence available leads to the conclusion that the President regards the recovery program as coming first; that tariff concessions must not be made at the expense of domestic recovery; and that he still looks upon domestic affairs as coming first, as expressed in his inaugural address. It is equally evident that he intends to steer our domestic economy upon a solid basis before dipping his oar too deeply into foreign waters.

Labor realizes that unfortunate delays are encountered in the present method of adjusting tariff rates through the Tariff Commission with the approval of the President. However, we believe much of the unnecessary delay is due entirely to restrictive rules and requirements of law which could and should be corrected so as to permit the rendering of decisions in a shorter space of time.

One of the causes for delay on the part of the Tariff Commission is the necessity, under the present rules, to make investigations in foreign countries. Several foreign nations resent our investigators' seeking information. In other cases, owing to the limited appropriations at the disposal of the Tariff Commission, conditions have so changed by the time the investigation is concluded and a decision is to be rendered that the industry in question has been irreparably injured.

This is not said in criticism of the personnel or the work of the Tariff Commission. Indeed, situations referred to are due solely to a procedure made mandatory by law. Many workers believe that great good would come by freeing the Tariff Commission of restrictive rules now in force. Certainly that method should be tried before any other procedure is followed and which may result in great apprehension, confusion, and doubt.

America's workers are also aware of the fact that our present tariff policy confers the greatest benefits upon those countries, especially the Asiatics, where labor conditions are the most repressive and intolerable.

American labor favors a tariff policy wherein imports will be valued on the basis of the value of the imported article in the United States—a policy better known as the "American valuation"—and not upon the depreciated as well as manipulated values of foreign countries.

Many foreign countries have monopolized industries. More are doing so. Soviet Russia has monopolized all industry and agriculture. Its Government is the sole producer and distributor of all things. Japan and other nations have monopolized the match industries of their countries. They prevent the entry into their countries of matches made in America. Japan also holds the world-wide monopoly on natural camphor. Germany holds a monopoly on many chemicals. These are but a few of many illustrations.

Indeed, the tendency toward state or national control of imports as well as exports is rapidly increasing and to such an alarming extent that the question may well be raised as to whether or not reciprocal trade treaties do encourage and strengthen foreign cartels and trusts and as against our national attempt to prevent monopolization at home.

As against all these agencies for increased export trade, reciprocal trade treaties, and other devices urged to that end, America's wage earners raise the more important issue of enlarging our domestic purchasing power and of increasing and protecting our home markets.

Government statistics clearly indicate that more than 93 percent of the products of American labor and American agriculture are consumed in America. While this is an average figure of all commodities and includes such important commodities as cotton, which is widely exported, it does indicate how great a domestic market we have in our own free-trade area. This great American consumption of American goods is largely due to the high standards of life and work which prevail in our country, and have been established in the main through the untiring efforts of American organized labor. Our present problem is rather that of extending this home consuming power in view of the constant losses which our producers of cotton, wheat, lumber, and other products have suffered and will increasingly suffer in the world markets by reason of a constantly growing competition from other nations.

There is little hope of recovery of our lost foreign trade, whether or not there is a change of political and governmental attitudes which have been or hereafter may be assumed on questions of foreign debts, tariff duties, allotment of domestic content, patent laws, and other devices used to regulate international as well as domestic trade and commerce.

Regardless of how we balance advantages and disadvantages, the fact remains that the foreign market is not so desirable as the home market, either for capital or for labor. Goods exported must be sold at world prices in competition with goods produced by poorly paid, pauper, or even forced labor—and the certain result of large exports is always that labor of the chief exporting countries, such as England and Germany, is forced to accept lower wages in order to be able to compete effectively in the foreign market. In other words, the predominance of the foreign over the home market totally destroys the benefits of the protection of labor. What the Nation needs, and is beginning to know it needs, is not great economic dependence upon the foreign market but exactly the opposite—greater economic independence.

Tariff legislation is of vital importance to American workers. Again, the proper interpretation and the enforcement of tariff legislation are also of vital importance to our industrial workers.

After several years of continued agitation, American labor was successful, during the last few years, in having inserted in the appropriation bills a requirement that Government moneys be used in purchasing materials the products of America.

Only recently our attention was called to the fact that one Government bureaucrat insists upon using Government moneys, appropriated for relief of the unemployed, to purchase asphalt produced in South America, where labor receives but a pittance for working 70 or 80 hours per week, because the cost of this South American asphalt per unit is a little cheaper. Thus, instead of the money being spent as Congress intended, we find hundreds of our engineers, our refinery workers, and our oil-field workers denied an opportunity of employment.

To spread employment among these American asphalt workers, the code authority has just recently found it necessary to issue an order reducing the working hours—these workers are paid by the hour—from 48 hours to 36 hours for a period of 3 months. Naturally, the weekly earnings of the American workers suffer a reduction of 25 percent.

In closing, I might well suggest that when we spend our money for American products we retain the products and the money in our own land, thus contributing to the relief of the millions of our own who are unable to secure employment.

STUDIES OF THE GREAT LAKES-ST. LAWRENCE SEAWAY (S.DOC. NO. 116, PT. 3)

The PRESIDING OFFICER (Mr. NEELY in the chair) laid before the Senate a message from the President of the United States, which was read, as follows:

To the Senate:

I transmit herewith for the information of the Senate a report on land and water transportation. The report includes an analysis of Interstate Commerce Commission data furnished by the Interdepartmental Board on the Great Lakes-St. Lawrence project.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 23, 1934.

Mr. PITTMAN. I ask unanimous consent that the message of the President and the report, with illustrations, may be printed as a Senate document for the information of the Senate and that the message and report thereafter may lie on the table.

The PRESIDING OFFICER. Without objection the message and the accompanying report, with the illustrations, will be printed and lie on the table.

THE CALENDAR

The PRESIDING OFFICER. In accordance with the order previously entered, the calendar, under rule VIII, is in order.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	Johnson	Robinson, Ark.
Ashurst	Couzens	Kean	Robinson, Ind.
Austin	Cutting	Keyes	Russell
Bachman	Davis	King	Schall
Bailey	Dickinson	La Follette	Sheppard
Bankhead	Dieterich	Lewis	Shipstead
Barbour	Dill	Logan	Smith
Barkley	Duffy	Loneragan	Stelwer
Black	Erickson	McAdoo	Stephens
Bone	Fess	McCarran	Thomas, Utah
Borah	Fletcher	McGill	Thompson
Brown	Frazier	McKellar	Townsend
Bulkley	George	McNary	Trammell
Bulow	Gibson	Murphy	Tydings
Byrd	Glass	Neely	Vandenberg
Byrnes	Goldsbrough	Norris	Van Nuys
Capper	Gore	Nye	Wagner
Caraway	Hale	O'Mahoney	Walcott
Carey	Harrison	Overton	Walsh
Clark	Hastings	Patterson	Wheeler
Coolidge	Hatch	Pittman	White
Connally	Hatfield	Pope	
Copeland	Hayden	Reynolds	

Mr. FESS. I again wish to announce that the senior Senator from Rhode Island [Mr. METCALF], the junior Senator from Rhode Island [Mr. HEBERT], the Senator from South Dakota [Mr. NORBECK], and the Senator from Pennsylvania [Mr. REED] are necessarily detained from the Senate.

The PRESIDING OFFICER. Ninety Senators having answered to their names, a quorum is present.

SUPERVISION OF FOREIGN COMMERCIAL TRANSACTIONS

The PRESIDING OFFICER. Under the agreement previously entered, the Calendar of Unobjected Bills is in order. The clerk will state the first bill on the calendar.

The bill (S. 882) to provide for the more effective supervision of foreign commercial transactions, and for other purposes, was announced as first in order on the calendar.

Mr. JOHNSON. Mr. President, that bill is pending upon a motion to reconsider entered by the Senator from Arkansas [Mr. ROBINSON]. I agreed with him this morning that the bill should go over temporarily—that is, go over from this particular call of the calendar. There would be no difficulty, in my opinion, for the Senator from Arkansas and myself to agree upon the measure, but I was advised this morning that certain Departments of the Government that are now dealing with the measure desire a brief delay in order that they may reach their conclusions. I want to serve notice, however, that at the earliest opportunity, at the convenience of the Senator from Arkansas, I shall ask the Senate to proceed with the motion to reconsider and determine its policy in reference to this particular bill.

The PRESIDING OFFICER. The bill will be passed over.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 506) conferring upon the President the power to reduce subsidies, and for other purposes, was announced as next in order.

Mr. WHITE. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (H.J.Res. 93) to prohibit the exportation of arms or munitions of war from the United States under certain conditions was announced as next in order.

Mr. JOHNSON. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 1403) to authorize the merger of the Georgetown Gaslight Co. with and into Washington Gas Light Co., and for other purposes, was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 752) to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to orders of State administrative boards was announced as next in order.

Mr. JOHNSON. Mr. President, the Senator from Vermont [Mr. AUSTIN], who opposes this bill, is at present engaged in one of the Senate investigations. He asked me to

consent that this bill go over, and I do so at his request and with the idea in mind that at the next calling of the calendar or in the interim, upon motion, the bill may be taken up.

The PRESIDING OFFICER. The bill will be passed over.

HARRY H. HORTON

The bill (S. 308) to authorize the award of a decoration for distinguished service to Harry H. Horton was read, considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is hereby authorized to cause the recommendation for the award of a decoration to Harry H. Horton, formerly private, first-class, Medical Detachment, One Hundred and Forty-eighth Regiment Field Artillery, American Expeditionary Forces, for distinguished conduct in the vicinity of Malancourt, near Montfaucon, France, on or about October 12, 1918, to be considered by the proper boards or authorities, and such award made to said Horton as his said conduct merits.

THE CLASSIFIED CIVIL SERVICE

The bill (S. 583) relating to the classified civil service was announced as next in order.

Mr. FESS. Mr. President, will the Senator from Utah give a brief explanation of the bill?

Mr. KING. Mr. President, this measure is designed to correct a situation which, I think, to some Senators—certainly to myself—was rather objectionable. By Executive order there were blanketed into the civil service in the various departments, without examination by the Commission, a large number of individuals. This measure is to rescind that order so that those who were blanketed in will have to take an examination in order to retain their positions, just like other persons who now come into the civil service.

Mr. FESS. Mr. President, I think I am in sympathy with what the Senator wants to accomplish, but I should like to know a little more about the basis of the bill and its history.

Mr. McKELLAR. Mr. President, will the Senator from Utah yield to me?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. I will say that this bill is to aid and build up the civil service rather than to detract from it. I say that for this reason, that those who were blanketed into the civil service were not required to take examinations, whereas in the future such blanketing will not take place, but employees must undergo a civil-service examination in all cases.

Mr. FESS. Will the Senator allow the bill to go over? I think probably I will agree to have it considered after I shall have had an opportunity to look into it a little further.

The PRESIDING OFFICER. The bill will be passed over.

MIGRATORY BIRD SANCTUARIES, ETC.

The bill (S. 1658) to supplement and support the Migratory Bird Conservation Act by providing funds for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the Migratory Bird Treaty Act and regulations thereunder, and for other purposes, was announced as next in order.

Mr. KING. I ask that the bill go over.

Mr. WALCOTT. Mr. President, may I request the Senator from Utah to withhold his objection until I make a brief statement?

Mr. KING. I withhold the objection temporarily.

Mr. WALCOTT. Mr. President, I will explain briefly the purpose of this bill. There is no question about the very serious diminution in the number of our migratory waterfowl. Several years ago the Norbeck-Andresen bill was passed authorizing \$8,000,000 to be expended for sanctuaries and refuges for migratory waterfowl, which constitute a great natural resource of the country. We have never been able to get more than a very small portion of that money;

in all, only about \$1,200,000 over some 6 or 8 years has been appropriated by the Congress. That is a very trifling sum for what is needed.

There are now available surveys according to which we would be enabled to buy at very low prices per acre marshlands, waste lands that are worth nothing for any other purpose, for the breeding, the rearing, and conservation of waterfowl by the million. The diminution in the number of waterfowl today is chiefly the result of the draining of their natural feeding areas, marshlands. In many instances the draining has been brought about by reclamation projects of the Federal Government, on many of which the people who have settled have lost everything they had.

If we can restore these areas, rewater them, and buy the marsh areas and swamp lands, lands that are not used for agricultural purposes, we can restore a very valuable food supply for the people of the United States, a tremendously valuable resource that ought to be self-sustaining and yield a tremendous dividend, not only in the form of food but in the creation of great recreational possibilities.

I am exceedingly anxious that the Senate give consideration to this measure. It seems to me of great importance, and I wish very much, indeed, that the bill could be considered at this time.

Mr. DILL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Washington?

Mr. WALCOTT. I yield.

Mr. DILL. This is the same bill, in another guise, over which the Senate fought for many weeks some years ago. Its authors have changed this measure so that instead of a Federal license one must procure a stamp from the post office, but the net result will be to put Federal game wardens in every State of the Union where migratory-bird sanctuaries are located. To that feature some of us are extremely opposed.

There are other features of this bill that need very careful consideration. It must be amended, in my judgment, if it is going to serve the sportsmen of this country in the way it is intended to serve them.

I wish to say to the Senator that it seems to me out of the question to take this bill up by unanimous consent. If it is taken up at some time so that amendments may be worked out and properly presented, that would be a different question; but certainly, I think, three fourths of our people, indeed three fourths of those who are for this bill, have not any conception of the fact that it is going to bring Federal game wardens into the States all over the Nation, a thing to which our people generally are much opposed.

Mr. WALCOTT. Mr. President, I may say that that is a very small factor in the bill. There are only 24 game wardens for the entire United States now attached to the Geological Survey. Such a small portion is reserved for that purpose that I would be willing to see that provision stricken out.

Mr. DILL. If the bill is passed, provision should be made that whatever money is to be used for the wardens should be turned over to the States and used for State game wardens in carrying out the enforcement under Federal supervision. The plan of having Federal game wardens in addition to the State and county game wardens is going to cause a tremendous lot of trouble and I think defeat whatever good there might be in the bill.

Mr. KING. Let the bill go over.

Mr. PITTMAN. Mr. President, I wish to say that in my opinion the bill under consideration is quite different from the bill that was so energetically attacked in the Senate a number of years ago. In the first place, the bill then under consideration, which was offensive to a great many of us in the Senate, attempted to deal with nonmigratory game as well as migratory game. It will be remembered that Senators said the farm boys would have to get Federal licenses to shoot rabbits. But the pending measure is limited exclusively to licenses to shoot migratory birds.

Be that as it may, whether it was proper for the United States Government to take charge of migratory birds, it did

take charge of them and the Supreme Court held the act to be constitutional, and so we have charge of them. We have a treaty with Canada which has been made for the purpose of trying to protect ducks and birds of that kind from extinction. There is no doubt we will obtain a treaty with Mexico along the same lines for the purpose of trying to preserve migratory birds and waterfowl.

The special Commission on the Conservation of Wild Life Resources had hearings and invited every game organization in the United States to be present. We invited all the game commissioners of the United States to be present, and practically all of them attended. There is no question that the natural sanctuaries for migratory birds in this country are practically gone. The marshes have been drained. Reclamation has destroyed many marshes. The encroachment of agriculture and of industry and of cities and population has practically destroyed the feeding and resting places of ducks passing from their northern summer homes to their winter homes in the southern part of the country.

We cannot get an appropriation from the Federal Government in sufficient amount to provide resting places, sanctuaries, and feeding grounds for these migratory birds. We have tried it, but Congress will not appropriate. There is but one way we can do it, and that is to raise the money directly. If anyone can think of a better way than to require the man who wants to shoot ducks and geese to buy a stamp for \$1 and attach it to his State license, we have never heard of it. All this money is to be used for the purpose of acquiring and maintaining resting places, feeding and breeding grounds, and bird sanctuaries. Whether we should have it under the care of the State game wardens or under the care of the Biological Survey or under the care of special wardens is a matter that is quite immaterial to the main purpose of obtaining feeding and breeding grounds and sanctuaries.

I think this is a matter of vast importance. I know it is not desired to debate the measure now; but I think it well, as the Senator from Connecticut [Mr. WALCOTT] has called attention to the fact, that the bill is certainly worthy of consideration.

Mr. WHITE. Mr. President, I want to express my complete concurrence in what the Senator from Connecticut [Mr. WALCOTT] and the Senator from Nevada [Mr. PITTMAN] have said on this subject and about this proposed legislation. I think no one could be more restless under the invasion of States by Federal authority than I am. I should hate to see a swarm of Federal officials invading in increasing numbers my own State. I could not stand examination upon the detailed terms of this bill; but I know its great purpose, and with that I am in sympathy. It may have defects, but I submit to the Senator from Washington that these may be corrected. Injustices in the operation of the legislation, hardships which may result or defects which may appear, may all hereafter be cured; but we cannot bring back the migratory birds that have disappeared and that will continue to disappear through the months of delay in providing them with feeding and breeding and resting grounds.

No one who has been interested in the subject of our migratory-bird life can but be impressed with the disappearance of these migratory fowl. They have gone until but a small fraction of those that once flew the air and rested upon our streams and our lakes and our bays can now be seen. I should very much like to take a real forward step in this field of conservation.

I appeal to the Senator from Washington to let the bill be considered; and then as its deficiencies appear, let us remedy them, but in the meantime let us move to save the bird life of America.

Mr. DILL. Mr. President, I have, as other Senators have, a love of bird life, and I want to see something done in the matter of preserving it. However, I am so opposed to what may be done under the bill as it is written that I would not under any circumstances consent to its passage at this time if I could help it.

There is another thing about the bill that must be amended. There is nothing in the bill to prevent regulations permitting the use of these sanctuaries for shooting purposes. That is what was in the back of the minds of officials of the Department of Agriculture when the other bill was before the Senate. There are a number of amendments which should be incorporated in the bill before it is passed.

The PRESIDING OFFICER. On objection, the bill will be passed over.

TURTLE MOUNTAIN CHIPPEWA INDIANS OF NORTH DAKOTA

The bill (S. 326) referring the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota to the Court of Claims for adjudication and settlement was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction be, and hereby is, conferred upon the Court of Claims, with right of appeal to the Supreme Court of the United States by either party, notwithstanding the lapse of time, statutes of limitations, waiver, release, settlement heretofore made or directed by any act of Congress, to hear, adjudicate, and render judgment according to right and justice and as upon a full and fair arbitration, on any and all claims not heretofore determined and adjudicated on their merits by the Court of Claims or the Supreme Court of the United States, arising under any treaty, ratified or unratified, act of Congress, agreement or understanding, verbal or written, Executive order, or treaty with any other tribes or nations of Indians by the authorized agents or representatives of the United States relating to, affecting, or violating the land occupancy or other rights of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota, including the band of Chief or Thomas Little Shell, and other isolated Bands of Chippewas of North Dakota and Montana.

SEC. 2. Any and all claims against the United States within the purview of this act shall be forever barred unless suit be instituted or petition or petitions filed as herein provided in the Court of Claims within 5 years from the date of the approval of this act, and such suit shall make the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota party or parties plaintiff and the United States of America party defendant. The claim or claims of the band or bands aforementioned may be presented separately or jointly by petition, subject, however, to amendment. The petition or petitions shall be verified by the respective attorney or attorneys employed to prosecute such claim or claims under contract with the Turtle Mountain Band or Bands of Chippewa Indians, approved by the Commissioner of Indian Affairs and the Secretary of the Interior, as provided by law. Official letters, papers, documents, reports and records, or affidavits on file in the Interior Department, or certified copies thereof, may be used in evidence; and the Departments of the Government shall furnish to the attorney or attorneys of said Turtle Mountain Band or Bands such treaties, agreements, papers, reports, correspondence, affidavits, or records as may be needed by the attorney or attorneys of said band or bands of Indians.

SEC. 3. That if any claim or claims be submitted to said court it shall determine the rights of the parties thereto, notwithstanding lapse of time, statutes of limitation, waiver, or release, and any payment which may have been made by the United States upon any claim so submitted shall not be pleaded as an estoppel, but may be pleaded as a set-off in any suit; and the United States shall be allowed credit subsequent to the date of any law, treaty, or agreement under which the claims arise for any sum or sums heretofore paid or expended for the benefit of said Indians.

SEC. 4. That if the Court of Claims shall determine that the United States, under the provisions of any agreement or understanding, verbal or written, Executive order, law, or treaty referred to in section 1 hereof, has unlawfully appropriated or disposed of any property belonging to the said Turtle Mountain Band or Bands of Chippewa Indians, or its or their members, or to which the said Indians had the right of title by occupancy; or if the said court shall determine that the United States, under the provisions of any such agreement, Executive order, law, or treaty, herein referred to, under mistake of fact or duress obtained title to or the cession of any land from the said Indians for an inadequate consideration; or if the court shall determine that the United States obtained cessions of land from said band or bands of Indians without obtaining the consent of a majority of the male adult members thereof; or if the court shall determine that the United States, to the loss of said Indians, appropriated to its own use or to the use of any other Indian tribe or band, or permitted white settlers to occupy and acquire title under the public land laws of the United States, to any lands in North Dakota, the title and occupancy of which by long possession by the said Indians had been acknowledged by other tribes and by officials of the United States; or if a portion of the land so claimed by the said band or bands was taken from them by an Executive order for the benefit of any other band or tribe of Indians, without compensation to the said Turtle Mountain Band or Bands of Chippewa Indians, the damages shall be confined to the reasonable money value thereof at the time of such appropriation: *Provided*, That if the Court of Claims

shall determine that the United States, by reason of any delay on the part of its agents or authorized representatives, in submitting for ratification any agreement with the said Turtle Mountain Band or Bands of Chippewa Indians, for the purchase or cession of any land so occupied and possessed by them, or that the Congress of the United States, contrary to the understanding of or oral promise made to said Indians, unduly delayed the ratification of any such agreement whereby any such lands were ceded to the United States, to the detriment and loss of the said Indians, then the said court is hereby authorized to award and enter judgment, as justice and equity may demand, for damages due to such delay at 4 percent per annum of the stipulated or agreed amount set out in any such agreement ceding such lands to the United States, and to compute such interest from the date the said agreement was signed or executed by the said Indians; and with reference to all claims which may be the subject matter of the suits herein authorized, the decree of the court shall be in full settlement of all damages, if any, committed by the Government of the United States and shall annul and cancel all claim, right, and title of the said Turtle Mountain Band or Bands of Chippewa Indians in and to such money or other property.

Sec. 5. Upon the final determination of such suit or suits the Court of Claims shall have jurisdiction to fix and determine a reasonable fee, not to exceed 10 percent of the recovery in each instance, together with all necessary and proper expenses incurred in preparation and prosecution of the suit, to be paid to the respective attorneys employed by the said band or bands of Indians, and the same shall be included in the decree and shall be paid out of any sum or sums found to be due said band or bands of Indians. The court shall have jurisdiction and is hereby further authorized to determine what amount of the recovery, if any, shall be awarded to the respective bands who bring suit hereunder.

Sec. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit any other tribe or band of Indians deemed by it necessary or proper to final determination of the matters in controversy. A copy of the petition shall in such case be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and defend the interests of the United States in such case.

Sec. 7. The proceeds of all amounts, if any, recovered for said band or bands of Indians less fees and expenses, shall be deposited in the Treasury of the United States to the credit of the Indians decreed by said court to be entitled thereto, and shall draw interest at the rate of 4 percent per annum from the date of the judgment or decree: *Provided*, That actual costs necessary to be incurred by the Turtle Mountain Band or Bands of Chippewa Indians as required by the rules of the court in the prosecution of this suit shall be paid out of the funds of said Indians in the Treasury of the United States, upon proper vouchers, to be examined and approved by the Commissioner of Indian Affairs.

BILLS PASSED OVER

The bill (S. 1975) to provide for loans to farmers for crop production and harvesting during the year 1934, and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. SMITH subsequently said: Mr. President, may I be permitted to say that the reason why the bill we have just passed over was permitted to go over without a statement from me is that I understand that the Senator from Arkansas [Mr. ROBINSON] has requested that there be a conference in reference thereto. I do not want the impression to go out that I sat here and allowed what I consider to be the most important bill affecting agricultural interests to go over upon a mere objection.

Mr. KING. Mr. President, I am prompted to make an observation in view of the objection which was made. I understood that the matter was in conference, and that during the discussion a day or two ago there was an understanding that there should be a conference and a consideration of the measure, and that no definite agreement had been reached, but would be within a short time. Therefore, I objected to the consideration of the bill today, in view of the understanding heretofore reached.

The PRESIDING OFFICER. Objection having been made, the bill will be passed over.

The bill (S. 163) for the relief of Capt. Guy M. Kinman was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

ANTON W. FISCHER

The bill (S. 1651) for the relief of the estate of Anton W. Fischer was announced as next in order.

Mr. KING. Let that go over.

Mr. SCHALL. Mr. President, will the Senator withhold the objection until the report of the committee is read?

Mr. KING. I have no objection to withholding it.

Mr. SCHALL. May the clerk read the report of the committee? I am sure there is no objection to this bill.

Mr. LEWIS. Mr. President, may I address a parliamentary inquiry to the Chair for information?

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. LEWIS. I assumed to have an arrangement this morning with Senators on opposite sides, interested in the matter of the treaty, that we would proceed today with the arguments touching the St. Lawrence Treaty, my desire being that the eminent Senator from New York [Mr. CORP- LAND] should take the floor, and that the able senior Senator from Wisconsin [Mr. LA FOLLETTE] opposing, would follow. I have understood that that was to begin at 2 o'clock. May I ask what has transpired that interferes with that understanding as to an executive session?

The PRESIDING OFFICER. The Chair is informed that the arrangement was to consider unobjected bills on the calendar as soon as the Senator from Ohio [Mr. FESS] concluded his address.

Mr. LEWIS. Preceding entrance upon the discussion of the treaty?

The PRESIDING OFFICER. Yes. That is the Chair's information.

Mr. LEWIS. If such is the amendatory understanding, of course, I accede to that.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. SCHALL] has asked that the report on this bill be read.

Mr. KING. Mr. President, may I inquire of the Senator from Minnesota if he is sufficiently familiar with the facts to detail them briefly, in order that we may determine the merits of the claim?

Mr. SCHALL. Yes, Mr. President. This is an overtax of an estate in Winona to the amount of a few hundred dollars.

Mr. LOGAN. Mr. President, will the Senator from Minnesota yield?

Mr. SCHALL. I yield.

Mr. LOGAN. Having made the report in this case, I will state to the Senator from Utah that this man Fischer was compelled to pay nine-hundred-and-odd dollars in taxes. Afterward it was found that he had overpaid some \$423. He had made claim for a refund. The Treasury Department held that he was entitled to a refund of \$147 only, because the rest was barred by limitation. Recently the Court of Claims, in a decision, held that in a similar case the refund was not barred by limitation; so this man is clearly entitled to the money, and there is not anybody to dispute the fact.

Mr. KING. I withdraw the objection.

Mr. SCHALL. I thank the Senator.

Mr. KING. Let me ask the Senator from Kentucky whether this was merely a mistake of facts, or was it a mistake of law?

Mr. LOGAN. A mistake of facts. In making the calculation this man was overcharged in his tax. The same Department corrected the overcharge afterward and admitted the mistake, but said that they could not refund more than a part of the amount paid, because the rest was barred by limitation. Afterward the Court of Claims held that it was not barred by limitation; so this bill is to refund the balance of \$275.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was read, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to refund, out of any money in the Treasury not otherwise appropriated, to the estate of Anton W. Fischer, late of Owatonna, Minn., the sum of \$275.98, under existing rules and regulations, said amount having been illegally collected from said estate, as stated by letter of the Commissioner of Internal Revenue dated February 7, 1923.

BILL PASSED OVER

The bill (S. 172) for the relief of the First Camden National Bank & Trust Co., of Camden, N.J., was announced as next in order.

Mr. KING. I object to that bill. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

CHICAGO, NORTH SHORE & MILWAUKEE RAILROAD CO.

The bill (S. 1069) authorizing adjustment of the claim of the Chicago, North Shore & Milwaukee Railroad Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of the Chicago, North Shore & Milwaukee Railroad Co. for reimbursement for materials furnished and labor supplied in repairing Chicago and Eastern Illinois gondola car no. 93962 that was accidentally damaged on July 24, 1928, while spotted on Government tracks at Fort Sheridan, Ill., and to allow not exceeding \$120.39 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$120.39, or so much thereof as may be necessary, for payment of said claim.

BILL PASSED OVER

The bill (S. 1504) for the relief of Walter J. Bryson Paving Co. was announced as next in order.

Mr. KING. I should like an explanation of that bill, Mr. President. Let it go over. I make the objection upon the ground that Mr. McCarl states that he finds no merit in the claim.

The PRESIDING OFFICER. The bill will be passed over.

BENJAMIN BRAZNELL

The bill (S. 1426) for the relief of the estate of Benjamin Braznell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue be, and he is hereby, authorized and directed to reopen and allow the claim of the Braddock Trust Co., executor of the estate of Benjamin Braznell, late of Pittsburgh, Pa., and refund the sum of \$2,323.47, the balance of taxes illegally collected, under existing laws and decisions.

B. & O. MANUFACTURING CO.

The bill (S. 1782) for the relief of the B. & O. Manufacturing Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of the B. & O. Manufacturing Co. under contract no. 12429, dated May 28, 1929, for extra expense in recutting material for trousers delivered to said company by the Navy Department, and to allow not to exceed \$1,597.52 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$1,597.52, or so much thereof as may be necessary, to pay said claim.

WARREN J. CLEAR

The bill (S. 406) for the relief of Warren J. Clear was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Warren J. Clear, captain, United States Infantry, the sum of \$737 in reimbursement for the loss by earthquake and fire of personal property in Tokyo, Japan, on or about September 1, 1923, while he was serving as an attaché, American Embassy, Tokyo, Japan.

WILLIE B. CLEVERLY

The Senate proceeded to consider the bill (S. 407) for the relief of Willie B. Cleverly, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$160" and insert "124.23", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Willie B. Cleverly the sum of \$124.23 in full compensation for money expended by him in doctor's and hospital bills growing out of an injury which he received while in the performance of his duties as temporary surfman at the Point Allerton Station of the United States Coast

Guard on January 13, 1924, at which time the said Cleverly was filling a vacancy in the personnel at that station.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1683) for the relief of the Standard Dredging Co. was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

DEPARTMENT OF FORESTS AND WATERS, COMMONWEALTH OF PENNSYLVANIA

The bill (S. 1115) to authorize the Department of Agriculture to issue a duplicate check in favor of Department of Forests and Waters, Commonwealth of Pennsylvania, the original check having been lost, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 3646, as amended, of the Revised Statutes of the United States, the disbursing clerk of the Department of Agriculture is authorized and directed to issue, without the requirement of an indemnity bond, a duplicate of original check no. 2675700, drawn November 19, 1931, in favor of Department of Forests and Waters, Commonwealth of Pennsylvania, for \$345, the original check having been lost.

JOHN T. LENNON AND GEORGE T. FLORA

The bill (S. 1074) authorizing adjustment of the claims of John T. Lennon and George T. Flora was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow John T. Lennon and George T. Flora \$25 each in full and final settlement of their claims for blood furnished May 4 and May 11, 1926, respectively, for transfusion to Harvey J. Shoppe, a patient in a Government hospital. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$50 for the payment of such claim.

LEBANON EQUITY EXCHANGE, OF LEBANON, NEBR.

The bill (S. 750) for the relief of the Lebanon Equity Exchange, of Lebanon, Nebr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue be, and he is hereby, authorized and directed to receive, consider, and determine, in accordance with law but without regard to any statute of limitations, any claim filed not later than 6 months after the passage of this act by the Lebanon Equity Exchange, Lebanon, Nebr., for the refund of Federal income and profits taxes collected from the said Lebanon Equity Exchange for the year 1920 in excess of the amount properly due: *Provided*, That in the settlement of said claim there shall be no allowance of interest.

FRANCIS B. KENNEDY

The bill (S. 1079) authorizing adjustment of the claim of Francis B. Kennedy was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Francis B. Kennedy, narcotic agent, as reimbursement for money (private funds) of which he was robbed while investigating charges against Frank De Mayo and others at Kansas City, Mo., May 28, 1928, and to allow in full and final settlement of said claim in the sum of not to exceed \$350. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$350, or so much thereof as may be necessary, to pay said claim.

BILL PASSED OVER

The bill (S. 256) for the relief of Milburn Knapp was announced as next in order.

Mr. KING. I should like an explanation of that bill. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. STEIWER subsequently said: Mr. President, I was temporarily absent from the Chamber at the time Senate bill 256 was passed over. I think there is no objection to it. If there is any objection, I should like to obtain unanimous

consent to return to the bill in order to ascertain what is the nature of the objection, if any.

The PRESIDING OFFICER. Is there objection to the request made by the Senator from Oregon?

Mr. KING. I object. I shall be glad to talk with the Senator from Oregon about the bill, and I think there will be no difficulty concerning it at the next call of the calendar.

Mr. ROBINSON of Arkansas. Mr. President, I should also like to look into the bill.

The PRESIDING OFFICER. The bill has been passed over.

The bill (S. 1680) for the relief of the estate of George B. Spearin was announced as next in order.

Mr. KING. I should like an explanation of that bill, Mr. President.

The PRESIDING OFFICER. This bill was introduced by the Senator from New York [Mr. COPELAND].

Mr. COPELAND. Mr. President, in preparing for a speech I am about to make, I have not kept track of the calendar. If the bill may go over without prejudice, I shall be glad to make the explanation later.

Mr. KING. Yes.

The PRESIDING OFFICER. The bill will be passed over without prejudice.

FARMERS' GRAIN CO., OF OMAHA, NEBR.

The bill (S. 751) authorizing the Secretary of the Treasury of the United States to refund to the Farmers' Grain Co., of Omaha, Nebr., income taxes illegally paid to the United States Treasurer was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to refund, from moneys not otherwise appropriated, the sum of \$2,186.36 to the Farmers' Grain Co., of Omaha, Nebr., this sum being paid illegally and through error by said company as income taxes to the Commissioner of Internal Revenue, and covered into the United States Treasury.

ELIZABETH B. EDDY

The bill (S. 1219) to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the legal representative of the estate of Elizabeth B. Eddy, widow of Charles G. Eddy, of New York, N.Y., the sum of \$602.92, and the said sum is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of this act.

BILL PASSED OVER

The bill (S. 1076) authorizing adjustment of the claim of the Franklin Surety Co. was announced as next in order.

Mr. KING. I should like an explanation of that bill, Mr. President. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

BEATRICE I. MANGES

The Senate proceeded to consider the bill (S. 376) for the relief of Beatrice I. Manges, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the words "sum of", to strike out "\$5,000" and insert "\$1,000, and \$50 per month in an amount not to exceed \$2,500", and in line 7, after the word "Ohio", to strike out "as damages" and insert "in full settlement of all claims against the Government", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000, and \$50 per month in an amount not to exceed \$2,500, to Beatrice I. Manges, of Cleveland, Ohio, in full settlement of all claims against the Government for injuries received November 7, 1918, when a United States Army truck collided with an automobile of which she was an occupant.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

C. M. WILLIAMSON AND OTHERS

The bill (S. 2) for the relief of C. M. Williamson; Mrs. Tura Liljenquist, administratrix of C. E. Liljenquist, de-

ceased; Lottie Redman; and H. N. Smith was announced as next in order.

Mr. KING. Mr. President, I will ask my friend from Idaho [Mr. POPE] to make an explanation of that bill, as to why there was any liability upon the part of the Government.

Mr. POPE. Mr. President, in 1910 the Government agreed to construct an irrigation project on the Fort Hall Indian Reservation and entered into contracts with the settlers. In the case of these claimants the contracts were carried out by them; the payments were made to the Government of some \$22 an acre; but the Government failed entirely to comply with its part of the contract and furnish water to these claimants.

For a number of years water was furnished by the claimants themselves. Their laterals were dug, and they furnished the water to their own lands. Later on the Government, recognizing that breach of contract, constructed a siphon and furnished water for some of the settlers in that locality; and before that time—the time of the original construction—other settlers in the immediate locality were furnished water. The money was not returned which was paid by these settlers, and damages were incurred by reason of a direct breach of contract by the Government. That was recognized, and for two sessions of Congress the bill has been approved by the committees of the Senate.

The bill was passed by the Senate in the Seventy-first Congress and was also passed by the Senate in the Seventy-second Congress. It was approved by the House committee in the Seventy-second Congress, but did not receive consideration by the House. So we feel that the settlers are entitled to this relief.

Let me say further that the committee, in making its report, said that it had no doubt the full amount which was first asked, \$13,000, would be awarded to the claimants in court privately, but that it had reduced the amount to \$8,000 for the reason that an interest claim was included, and for the further reason that some pumps had been sold for \$1,000. That is the reason why the reduction is made to \$8,000.

Mr. KING. Mr. President, I should like to make two suggestions which I think are pertinent to this measure.

First, if there is any liability, ought not that liability to be a charge against the funds of the Reclamation Service? As I understand the Senator, the project is one which comes under the jurisdiction of the Bureau of Reclamation.

Mr. POPE. No; it is within an Indian reservation, under the direct control of the Government, and the contract was made by the Secretary directly with the settlers by virtue of the Government's control over Indian reservations.

Mr. KING. The Senator knows that on the Indian reservations there are a number of what might be denominated reclamation projects which were constructed in some instances by or under the direction of the Bureau of Reclamation. I was wondering whether this would fall within that category.

Mr. POPE. No; I think it would not. I was not familiar with the claim before the bill was introduced, but it does not fall within the reclamation law, as I understand it. There was an agreement made by the Secretary of the Interior directly with these settlers under the law relating to Indian reservations.

Mr. KING. Was it by an act of God—that is, the failure of nature to give enough of a snow supply to furnish water in the spring for irrigation purposes—or was it by reason of some default on the part of the Government?

Mr. POPE. It was by reason of a default on the part of the Government in two respects. In the first place, they represented to the settlers that this land was irrigable land, and that under the project to be constructed the water would be furnished to them, and they entered into a written contract to that effect. The settlers relied upon that, paid their money, kept up their payments, paid their assessments during all that period of time when they were not furnished water, and the Government recognized them. The Department of the Interior has approved this claim as being proper.

Mr. KING. Mr. President, I shall not object to the bill, but I want to make this observation, that I fear this will be an entering wedge to a large number of claims which will be presented, because we know that the Bureau of Indian Affairs, under past administrations, entered upon a large number of so-called "irrigation or reclamation projects" right in the teeth of physical evidence that they would fail, and right in the teeth of recommendations adverse to the projects made by competent engineers. The waste and extravagance and the folly of the Indian Bureau in many of these irrigation projects calls for the severest condemnation.

I know that many of the white settlers were induced to enter upon these lands under false representations, and I know that the Bureau of Indian Affairs failed to make good the representations which were made which induced a large number of people to settle upon the lands. However, it is a past transaction; but this is not the end of these claims which will be presented to the Government, I fear.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. M. Williamson; Mrs. Tura Liljenquist, administratrix of C. E. Liljenquist, deceased; Lottie Redman; and H. N. Smith, in accordance with their respective interests, the sum of \$8,824.10. Such sum represents the amount expended by them in installing a pumping plant and making necessary connections to bring water to their land, on the Fort Hall Indian Reservation, and the amount paid by them to the Idaho Power Co. during the years 1920 to 1927, inclusive, for power to operate said pumping plant.

PUBLIC SERVICE COORDINATED TRANSPORT OF NEWARK, N.J.

The bill (S. 1084) authorizing the adjustment of the claim of the Public Service Coordinated Transport of Newark, N.J., was announced as next in order.

Mr. KING. I would like to have an explanation of that.

The PRESIDING OFFICER. The Senator from North Carolina [Mr. BAILEY], who introduced the bill, is not in the Chamber at the present time.

Mr. KING. I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

UNION SHIPPING & TRADING CO., LTD.

The bill (S. 1192) for the relief of the Union Shipping & Trading Co., Ltd., was announced as next in order.

Mr. KING. I would like to have an explanation of that.

The PRESIDING OFFICER. The Senator from New York [Mr. WAGNER], who introduced the bill, is not in the Chamber at the present moment.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PENNSYLVANIA R.R. CO.

The bill (S. 1082) authorizing adjustment of the claim of the Pennsylvania R.R. Co., was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

POTOMAC ELECTRIC POWER CO., OF WASHINGTON, D.C.

The bill (S. 1083) authorizing adjustment of the claim of the Potomac Electric Power Co., of Washington, D.C., was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of the Potomac Electric Power Co. for the balance necessary to reimburse it for the amount actually expended by said company in making electrical service connections from its mains to the control room on the east bascule draw span of the Arlington Memorial Bridge and to allow said company a balance of not to exceed \$2,157.25 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$2,157.25, or so much thereof as may be necessary, for payment of said claim.

WILLIAM T. STILES

The bill (S. 1087) authorizing adjustment of the claim of William T. Stiles was considered, ordered to be engrossed

for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to settle and adjust the claim of William T. Stiles for blood furnished October 11, 1926, for transfusion to Charles E. Williams, a patient in a Government hospital, and to allow in full and final settlement of said claim an amount not in excess of \$25. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$25 for the payment of such claim.

FAIRMONT CREAMERY CO., OF OMAHA, NEBR.

The bill (S. 749) for the relief of the Fairmont Creamery Co., of Omaha, Nebr., was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ELIZABETH BOLGER

The Senate proceeded to consider the bill (S. 785) for the relief of Elizabeth Bolger, which had been reported from the Committee on Claims with an amendment, on page 1, line 4, to strike out "\$5,000" and to insert in lieu thereof "\$1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay Elizabeth Bolger the sum of \$1,000 in full settlement of all claims against the Government on account of personal injuries sustained as the result of the carelessness of the driver of Navy automobile no. 637, on April 5, 1919, in Brooklyn, N.Y.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANTHONY J. LYNN

The Senate proceeded to consider the bill (S. 1429) for the relief of Anthony J. Lynn, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike out "a sum equal to" and to insert in lieu thereof the words "the sum of \$254.40, said sum representing", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Anthony J. Lynn, formerly a private, Company G, Thirty-first Regiment United States Infantry, out of any money in the Treasury not otherwise appropriated, the sum of \$254.40, said sum representing the whole amount of pay and allowances of which he was deprived by reason of proceedings against him in 1919 on false charges of burglary and the sentence of courtmartial rendered in such proceedings.

Mr. KING. I would like to have an explanation of that.

Mr. LOGAN. Mr. President, the explanation is very simple. The claimant here was a soldier in the Siberian Expedition in Russia. He was charged with robbery and burglary, was convicted, and sentenced to a Federal prison for 15 years, which sentence, I believe, was afterward reduced to 10 years.

Later the woman and her son who had testified against the man appeared before the proper Army authorities and admitted that they had sworn falsely. He was then granted a pardon, restored to the Army, and this is a bill to pay him his regular compensation from the time he was arrested until he was restored to the Army, \$254.40.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WOODHOUSE CHAIN WORKS

The Senate proceeded to consider the bill (S. 177) for the relief of Woodhouse Chain Works, which had been reported from the Committee on Claims with amendments, on page 1, line 6, to strike out "\$1,841.75" and to insert in lieu thereof "\$352.93"; and on line 9, after the word "Department", to strike out the comma and the words down to and including the word "Germany", in line 3, page 2, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Woodhouse Chain

Works the sum of \$352.93 in full settlement for extra work for which the Government agreed to pay under supplemental contract to contract no. 448 with the Navy Department.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KORBER REALTY, INC.

The bill (S. 1221) authorizing adjustment of the claim of Korber Realty, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Korber Realty, Inc., under lease no. VBr-806, dated April 28, 1931, on account of failure to restore to former condition quarters occupied during the period ended June 30, 1932, by the Albuquerque office of the Veterans' Administration, and to allow not to exceed \$500 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$500, or so much thereof as may be necessary, for payment of the claim.

SCHUTTE & KOERTING CO.

The bill (S. 1085) authorizing adjustment of the claim of Schutte & Koerting Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Schutte & Koerting Co., under contract NOs-2018, dated December 27, 1926, for certain experimental work in the manufacture of valves for submarines, and to allow not to exceed \$7,337.10 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$7,337.10, or so much thereof as may be necessary, for payment of said claim.

WALTER THOMAS FOREMAN

The bill (S. 1075) for the relief of Walter Thomas Foreman, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

LITTLE ROCK COLLEGE, LITTLE ROCK, ARK.

The bill (S. 1347) for the relief of Little Rock College, Little Rock, Ark., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to reopen and allow credit in the property accounts of the Little Rock College, Little Rock, Ark., in the sum of \$1,451.41, representing certain articles of ordnance, quartermaster, and engineer property for which the said Little Rock College is held liable on reports or surveys, as follows: Nos. 7, 8, 11, and 12, approved January 13, 1926, and no. 10, approved January 5, 1926.

M'KIMMON & M'KEE, INC.

The bill (S. 1081) for the relief of McKimmon & McKee, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to McKimmon & McKee, Inc., successor to the Raleigh Insurance & Realty Co., of Raleigh, N.C., out of any money in the Treasury not otherwise appropriated, the sum of \$71.59 in full satisfaction of all claims for payment of premiums on policies of fire insurance written in 1918 by such Raleigh Insurance & Realty Co., covering certain goods of the value of \$95,000, more or less, while in the process of being laundered for the United States Army by the Model Laundry, of Raleigh, N.C.

JAMES R. YOUNG

The bill (S. 1089) for the relief of James R. Young was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to James R. Young, successor to the Union Trust Co., of Raleigh, N.C., out of any money in the Treasury not otherwise appropriated, the sum of \$226.25 in full satisfaction of all claims for payment of premiums on policies of fire insurance written in 1918 by such Union Trust Co., covering certain goods of the value of \$245,000, more or less, while in the process of being laundered for the United States Army by the Model Laundry, of Raleigh, N.C.

GREAT AMERICAN INDEMNITY CO. OF NEW YORK

The bill (S. 356) for the relief of the Great American Indemnity Co. of New York was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

E. WALTER EDWARDS

The bill (S. 1073) for the relief of E. Walter Edwards was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. WHITE subsequently said: Mr. President, may I call the attention of the Senator from Utah to Order of Business 211, Senate bill 1073, for the relief of E. Walter Edwards? I understood the Senator asked that the bill go over.

Mr. KING. I did.

Mr. WHITE. I merely desire to call attention to the fact that this measure is identical in fact and in principle with two other bills which we have just passed.

Mr. KING. I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to E. Walter Edwards, successor to C. B. Edwards & Bro., of Raleigh, N.C., out of any money in the Treasury not otherwise appropriated, the sum of \$106.30, in full satisfaction of all claims for payment of premium on a policy of fire insurance written in 1918 by C. B. Edwards and Bro., covering certain goods of the value of \$127,000, more or less, while in the process of being laundered for the United States Army by the Model Laundry of Raleigh, N.C.

Mr. LEWIS. Mr. President, may I ask the Senator from Arkansas whether the further call of the calendar cannot be suspended, so that Senators who have prepared addresses and have maps on the wall of the Senate may now proceed?

Mr. ROBINSON of Arkansas. I understand that the Senate has about completed the call of the calendar under its order, and I think we had better proceed to the end of the calendar.

Mr. LEWIS. Very well.

MARY AGNES RODEN

The Senate proceeded to consider the bill (S. 375) to reimburse the estate of Mary Agnes Roden, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, to strike out "\$5,515.48" and to insert in lieu thereof "\$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to Sophie T. Walsh, administratrix of the estate of her deceased sister, Mary Agnes Roden, in full settlement of all claims against the Government of the United States for injuries received by said Mary Agnes Roden on December 11, 1926, when a United States mail truck collided with her at Lexington Avenue and Thirty-fourth Street, New York City.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NANNIE SWEARINGEN

The Senate proceeded to consider the bill (S. 1496) for the relief of Nannie Swearingen, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike out "\$5,000" and to insert in lieu thereof "\$50 per month in an amount not to exceed \$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of \$50 per month in an amount not to exceed \$5,000 to Nannie Swearingen to compensate her for the death of her husband, who was struck by a Government-owned postal motor vehicle on November 26, 1926.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PATRICK HENRY WALSH

The bill (S. 170) for the relief of Patrick Henry Walsh was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Patrick Henry Walsh, of Weehawken, N.J., out of any money in the Treasury not otherwise appropriated, the sum of \$3,000 in full satisfaction of all claims against the United States for damages on account of injuries resulting from being struck by a United States mail truck at Jersey City, N.J., on December 19, 1924.

AUXILIARY BARK "QUEVILLY"

A bill (S. 1934) conferring jurisdiction upon certain courts of the United States to hear and determine the claim by the owner of the 4-masted auxiliary bark *Quevilly* against the United States, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, I notice that the alleged negligence in this case, if there was any, occurred nearly 20 years ago. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

STEAMSHIP "W. I. RADCLIFFE"

The bill (S. 1935) to amend the act of March 2, 1929, conferring jurisdiction upon certain courts of the United States to hear and determine the claim by the owner of the steamship *W. I. Radcliffe* against the United States, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, I reserve the right to object. I ask for an explanation.

Mr. WHITE. Mr. President, this is a bill to authorize the owners of the steamship mentioned to go into court and undertake to establish their claim for injuries to the vessel. I think I am right in saying that a similar bill passed the Senate in the last session, but a mistake was made in the name of the ownership of the vessel, and this bill is introduced for the purpose of correctly stating the names of the owners of the vessel.

Mr. KING. When is it alleged that this collision occurred so as to warrant any judgment against the United States? I think it was away back in the time of the World War. There ought to be some statute of limitations. Some of these claims are hoary with age. Let it go over.

Mr. WHITE. Of course, if there is a statute of limitations, it will be pleaded in court.

Mr. KING. I do not want to revive it anyway.

The PRESIDING OFFICER. Under objection of the Senator from Utah, the bill will be passed over.

DELAWARE RIVER BRIDGE, NEW JERSEY

The bill (S. 2029) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the time for completing the construction of the bridge authorized by act of Congress approved August 24, 1912, to be built by the Pennsylvania Railroad Co. and the Pennsylvania & Newark Railroad Co. across the Delaware River near the city of Trenton, N.J., which has heretofore been extended by Congress to August 24, 1934, is hereby extended for a further period of 3 years from the last-named date: *Provided*, That it shall not be lawful to complete or commence the completion of said bridge until plans thereof shall again be submitted to and approved by the Chief of Engineers and by the Secretary of War.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

TOLL BRIDGES IN THE STATE OF OREGON

The bill (S. 1985) relating to the amortization of the construction cost of certain toll bridges in the State of Oregon was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That so much of the act entitled "An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Umpqua River at or near Reedsport, Douglas County, Ore.," approved June 13, 1933, the act entitled "An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Yaquina Bay at or near Newport, Lincoln County, Ore.," approved June 13, 1933, the act entitled "An act granting the consent of Congress to the State of Oregon to con-

struct, maintain, and operate a toll bridge across Coos Bay at or near North Bend, Coos County, Ore.," approved June 13, 1933, the act entitled "An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across the Siuslaw River at or near Florence, Lane County, Ore.," approved June 13, 1933, and the act entitled "An act granting the consent of Congress to the State of Oregon to construct, maintain, and operate a toll bridge across Alsea Bay at or near Waldport, Lincoln County, Ore.," approved June 15, 1933, as requires the amortization of the cost of the bridges and approaches therein authorized within a period of not to exceed 15 years from the completion thereof, is hereby repealed.

The PRESIDING OFFICER. That completes the calendar.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6670) to provide for the establishment of a corporation to aid in the refinancing of farm debts, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JONES, Mr. FULMER, Mr. DOXEY, Mr. HOPE, and Mr. KINZER were appointed managers on the part of the House at the conference.

REFINANCING OF FARM DEBTS

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H.R. 6670) to provide for the establishment of a corporation to aid in the refinancing of farm debts, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBINSON of Arkansas. I move that the Senate insist upon its amendments, agree to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. FLETCHER, Mr. GLASS, Mr. WAGNER, Mr. GOLDSBOROUGH, and Mr. TOWNSEND conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. ROBINSON of Arkansas. I move that the Senate proceed to the consideration of executive business for the consideration of the Great Lakes-St. Lawrence Deep Waterway Treaty.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

GREAT LAKES-ST. LAWRENCE DEEP WATERWAY TREATY

The Senate, as in Committee of the Whole, resumed the consideration of the treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-St. Lawrence deep waterway, signed July 18, 1932.

Mr. COPELAND obtained the floor.

Mr. WALSH. Mr. President—

Mr. COPELAND. I yield to the Senator from Massachusetts.

Mr. WALSH. I recognize the importance of the subject, and would suggest the desirability of a call of the roll for the purpose of bringing Senators into the Chamber. I am unable for the time being to remain, however; and with the permission of the Senator from New York I should like to request that following his remarks an editorial published in the Baltimore Sun of January 22, 1934, and a letter dealing with the St. Lawrence waterway from H. M. Stratton, President, Donahue-Stratton Co., Milwaukee, Wis., addressed to me, be printed in the RECORD in connection with the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The editorial and letter appear in the RECORD at the conclusion of Mr. COPELAND's remarks.)

Mr. COPELAND. Mr. President, I thank the Senator for suggesting a call of the Senate, but I think that is unnecessary. I know how busy the Senators are and how heavy the mail of their offices is, and I do not wish to call into the Chamber any Senators who are worthily occupied away from here.

I wish to speak about the controverted question of the St. Lawrence waterway as calmly as possible. I recognize that there are two sides to the question, and certainly every Senator has a right to take any position which his judgment causes him to assume.

I have long been an opponent of the proposed waterway, and, of course, what I shall have to say will be in opposition to the treaty.

If any argument in favor of the St. Lawrence deep waterway caused me momentarily to question the convictions I reached 25 years ago, I should take another glance at the map. That would give proof sufficient to me that no American should favor the project.

Even though Senators have other duties, I ask them to remain in the Chamber long enough to enable me to point out on the map of a portion of North America some of the things which enter into the consideration of this question.

We have here an excellent map of the United States and a part of Canada. I want Senators to see that after Lake Ontario discharges its waters into the St. Lawrence the river touches only 166 miles of our country.

I was born in the Great Lakes region. I spent the first 40 years of my life there. I have known many Canadians and loved them. Certainly there is no feeling of harshness or unfriendliness that could lead me to take the position that I do.

The waters of Lake Ontario are projected into the St. Lawrence River, and almost immediately we come to the Thousand Islands. These were described by a Canadian poet, who said:

When the angels took Eden on high,
Some flowers fell from the garden divine;
Dropping into the great river,
They became the Thousand Islands.

So here they are in all their beauty.

Just below the Thousand Islands we come to the international section of the waterway; and this is, in my section of the country, the hotly debated part of the whole project.

After 166 miles forming the boundary between the United States and Canada, where New York has equal riparian rights with Ontario, or the United States equal rights with Canada, the St. Lawrence River appears to desire to run away from Yankeeland. I wish Senators to see on the map that no part of the St. Lawrence River is within our boundaries, no part of it is within our country, and only for 1½ percent of its entire length does it border upon our country. Ninety-eight and one-half percent of the St. Lawrence will be found entirely within the Dominion of Canada. I am anxious to have the Senate appreciate that fact. I am anxious, too, to have Senators observe that the green line on the map, the boundary of our country, is in no way whatever related, except in this 1½ percent of its length, to the St. Lawrence River. The St. Lawrence is entirely outside our territory, except the limited section of the river touching the State of New York.

Another thing I wish Senators to observe is that the St. Lawrence River, running north and east, going away from the United States all the time, has a length of 1,185 miles to the Straits of Belle Isle, where the waters of the river enter the Atlantic Ocean. For only 166 miles of that distance are the waters of that river in contact with our country.

I will ask Senators also to observe that the point where the waters of the St. Lawrence enter the Atlantic Ocean is 1,000 miles east of Lake Ontario and 700 miles north of the boundary of the United States at the point of the river's source. The river goes as far north as Hudson Bay, which in my youth I thought was close to the North Pole.

I beg Senators to bear these facts in mind when they consider the expenditure of American money in the development of a waterway which is essentially a Canadian waterway. I have often referred to it as an all-British waterway.

I now wish to speak about distances, and while doing so will get away from the map.

If one were to go by this waterway from Lake Ontario to Portland, Maine, or Boston, his craft must sail 1,200 miles.

By the shortest way, through the Gulf of St. Lawrence and north of Nova Scotia, it is 1,500 miles to New York Harbor. Two or three hundred miles additional must be included if the craft is to reach Philadelphia or Norfolk, while Savannah is more than 2,000 miles away from the Great Lakes.

I need not point out to the Senate that when there is such a steaming distance as that, with the cost of coal to consider, and the element of time to consider, it makes an almost impossible waterway so far as the Atlantic seaboard is concerned.

At this time I am not going to say more about that feature of the proposal, but perhaps a little later I may do so. I wish, however, if I may, to show by this map how far we are going afield when we talk about building a waterway, largely with American money, to carry traffic from the Great Lakes to the sea.

In order that I may get away from the map, I want to speak about another waterway, the New York Barge Canal. I am not going to press the matter; I, myself, have no enthusiasm for any deep waterway to the sea; but I want to take advantage of the opportunity of having the map before us. That will show Senators that proposed route from the Great Lakes to the Atlantic seaboard would require 1,500 miles' travel; this is in contrast to a route through the barge canal down the Hudson River to New York, a distance of 325 miles, of which distance 125 miles, the portion on the Hudson River, has already been deepened at Federal expense to carry ocean-going vessels. There is at Albany today a terminal which is being extensively used by vessels from the other side as well as by our own bottoms going to Albany, or sailing from Albany by way of the Hudson River. So we have to contrast a route from Canada through Canadian territory, 1,500 miles from New York, with a route which would be all-American, which would go through our own territory the short distance of 325 miles.

I may leave the map for a moment, but I hope Senators will never have obliterated from their memories the picture on the map, because, to my mind, a glimpse at the map is conclusive reason why we should be against this proposed waterway.

Mark the difference, if I may repeat, in distance between Lake Ontario and the ocean between the two routes. From Lake Ontario to Albany is 164 miles, and from Albany by the Hudson River, already dredged to carry ocean freighters, to the ocean is a distance of 150 miles, or a total of 314 miles. When a cargo is taken to Boston, New York, Philadelphia, Norfolk, or Baltimore, the distance is hundreds of miles less than by the all-British route.

The advocates of the Canadian plan place great emphasis upon the idea that it is much nearer by way of the St. Lawrence and the Great Lakes to Liverpool, where wheat would go, than it is by the all-American canal. It is stated, for instance, that the distance between Montreal and Liverpool is 2,760 miles, but that route is through the Straits of Belle Isle, north of Newfoundland, between Newfoundland and Labrador, and it cannot be used even during a considerable portion of the so-called "open" season; even when the lower part of the river is open it is impossible to go through the Straits of Belle Isle, for reasons which I shall attempt to demonstrate to the Senate.

The distance from Montreal to Liverpool, when the route taken is to the south of Newfoundland, is 3,007 miles. This route will have to be taken through a large part even of the open season. When a vessel goes down the river below Anticosti Island it must pass through the Gulf of St. Lawrence south of Newfoundland; it is not possible through a large part of even the open season, if I may repeat, to go through the Straits of Belle Isle. So the usual distance from Montreal to Liverpool is 3,007 miles, which is approximately the same distance as between New York and Liverpool, which is 3,166 miles. To put it in a word, the St. Lawrence route is 159 miles shorter than the all-American route; that is all. The Straits of Belle Isle are far removed from the United States and all our ports.

There is no United States port after leaving Massena, N.Y., where the Mellon aluminum works are located. There

is nothing to appeal to American commerce all the way from Lake Ontario to the shores of Europe.

Let me call attention to the fact, too, that the time consumed between Duluth and New York City by the St. Lawrence route would be 12 days, as contrasted with 7½ days over the all-American route.

If the Barge Canal, which Congress has already voted to take over, should be deepened sufficiently to take ocean vessels, which can now go to Albany, the trip could be taken in 7½ days. A ship sailing out of Lake Ontario would require to go around through the Gulf of St. Lawrence to New York 12 days. Through the Barge Canal to Albany down to New York there would be a saving of 4½ days. Anyone familiar with vessel transportation realizes how much greater is the expense involved where 12 days of sailing are necessary instead of 7½ days.

By the St. Lawrence it would take 4 days longer for a cargo from Duluth to go to the Panama Canal than by the New York route; it would take 4 days longer to go to Seattle, and practically the same time to go to Gibraltar.

Regarding this project, there will always be two schools of thought. The St. Lawrence route is held in high favor in the West, but many thinking Americans feel that if the money of the United States is actually to be expended in canal building it should be spent wholly within the borders of our country. The American plan would involve an initial expenditure of more money; but as I have already pointed out, it would be hundreds of miles shorter, and consequently the service rendered by it to shipping would be very much greater.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from New York yield to the Senator from Missouri?

Mr. COPELAND. I yield.

Mr. CLARK. Appreciating the fact that there may be a variance in any estimates, can the Senator give us an idea as to the probable difference in cost between the all-American route he has just been describing and the proposed St. Lawrence seaway?

Mr. COPELAND. I would say that, at the outside, the difference would not exceed \$150,000,000.

Mr. CLARK. And that would all be spent in the United States in the employment of American labor and the purchase of American materials?

Mr. COPELAND. Yes; and would be for the relief of unemployment in America instead of for the relief of unemployment in Canada.

Mr. President, the American plan would cost a little more money, but the man is not born who knows how much the St. Lawrence plan will cost. I wish the Senate could see, as I did, a moving picture of the St. Lawrence River in the springtime at the break-up of the ice. I have the greatest respect in the world for engineers; to me they are the supermen, amazing men; I almost stand in awe of what engineers can do. But when I saw in that picture the great bergs of ice crashing through the waterway, breaking up ice of lesser thickness, I wondered how it would ever be possible for engineers, with all their skill and genius, to build controlling works to make possible the effective navigation of the St. Lawrence River.

As I have previously said, the all-American route would be very, very much shorter, and consequently navigation would be that much more expeditious. The all-American route would be open for a slightly longer season. If Senators know the climate of Quebec, if they have ever been to Quebec in attendance upon one of the ice carnivals, they know how tightly the waterways are tied up during the winter season.

Mr. REYNOLDS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Carolina?

Mr. COPELAND. I yield.

Mr. REYNOLDS. Is it not true that in view of the weather in the neighborhood of the proposed canal and the innumerable slides that have occurred there from time to time, in the

opinion of the Senator it would be extremely difficult to arrive at a figure of cost of the canal within several million dollars?

Mr. COPELAND. I truly think so. I think it would be extremely difficult.

Mr. REYNOLDS. I should like to state for the information of the Senator that I have in mind the construction of the Panama Canal. When our Government made purchase of the Panama Canal, at which time I believe we paid the French Government \$40,000,000 and at which time we paid for the Panama Railroad an amount approximating \$10,000,000, it was estimated that completion of the Panama Canal according to the plans contemplated at that particular time would cost \$139,000,000. Of course, I understand that several years thereafter, at which time General Goethals went there at the instance of the Government, he made an extremely accurate estimate of the cost of the canal, which was \$375,000,000, and it actually did cost about \$3,000,000 less than that, and he completed it, according to my information from the War Department, 1 year sooner than its contemplated completion.

But I bring to the attention of the Senator at this time that immediately after or about the same time our Government made purchase of the Panama Canal, it was then estimated that the completion would cost only \$139,000,000.

Mr. COPELAND. That is correct. The able Senator is entirely correct in his figures as I understand it.

Mr. PITTMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nevada?

Mr. COPELAND. Certainly.

Mr. PITTMAN. It has been reported by the Army engineers two or three times that the plans upon which the first estimates were made were not nearly as extensive as the plans upon which the second estimates were made and that therefore there was no relation whatever between the estimate of \$139,000,000 and the estimate of \$375,000,000, because our Government between the time of the estimates had decided, according to the Army engineers, to adopt a very much larger and more extensive plan. Be that as it may, undoubtedly the estimates of the last board of engineers were very accurate.

Mr. REYNOLDS. I quite agree with the Senator that the last estimates made were entirely accurate, but at the same time I should like to make inquiry of the able Senator from New York if it is not true that even after the ratification it would be possible to make certain changes that would increase the cost estimated at the present time? I think that one thing further to be taken into consideration is the fact that materials to be used may increase in cost. It has been said that the engineers who have figured on the various and sundry projects have not missed the point far, but at the same time we must take into consideration that the price of materials may change and the price of labor may change.

I beg the Senator's pardon for having interrupted him at such length.

Mr. COPELAND. I thank the Senator from North Carolina. He has added value to the argument. I had not intended to discuss at all the question of cost. I am familiar with certain figures, namely, those with reference to the Welland Canal, which was originally estimated at \$40,000,000 and actually cost \$128,000,000; the Manchester Ship Canal, which I have seen and admired, the original estimate of which was \$40,000,000, while its ultimate cost was \$80,000,000. The original estimate of cost of the Panama Canal was \$140,000,000, and the ultimate cost proved to be \$375,000,000. The Senator from Nevada [Mr. PITTMAN] has suggested, that was because conditions which were met as the work progressed made those increases necessary, but I assume we would have to take into consideration that that might well happen in connection with the canal now under consideration.

Mr. PITTMAN. Mr. President, will the Senator yield further?

Mr. COPELAND. Certainly.

Mr. PITTMAN. I do not like to have the Senator misunderstand me or, if he does misunderstand me, to unconsciously misinterpret what I said. I did not say it was by reason of additions to or changes in the plans. I said the estimate of \$139,000,000 was based on one plan and that the estimate of \$375,000,000 was based on an entirely different plan, a more extensive plan and completed plan. The \$375,000,000 estimate was an accurate estimate and the actual cost came within that figure. I do not want it understood that it was because they kept making additions and changes that the cost increased.

Mr. COPELAND. Far be it from me to dissent from the facts. I have but one thought, and that is to attempt to have Senators see the general proposition as I see it, and to do that fairly and certainly not by distorting the language or expressed thoughts of others. But no man who ever built anything, I do not care whether it was a house or a boat or what it might be, has failed to find that it cost him more than was estimated in the beginning.

I know that in the construction of the Barge Canal through the State of New York the original estimate was \$62,000,000 and it cost the State \$176,000,000. I am not speaking about the original Erie Canal, but the widening and deepening of the canal in recent years. It cost nearly three times as much as the original estimate.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Missouri?

Mr. COPELAND. I yield.

Mr. CLARK. I know the Senator does not desire to digress to a discussion of the question of cost because it is not included within the scope of his original address; but I should like to ask the Senator if he does not think the devaluation of the dollar must be taken into consideration in arriving at the estimate of cost? In order words, the engineers who made the estimates were not taking that into consideration at all, were they?

Mr. COPELAND. I think it is entirely proper for the Senator to make the suggestion. Therefore if we do not raise the original estimates we have to multiply them by two in order to meet the devaluated dollar.

I want to make more complete answer to a question asked a few moments ago by the Senator from Missouri. Other estimates have been made about the cost of the canal. I am not going to refer to Mr. Cooper's estimate. We have heard a lot about that. The general board of engineers placed it at \$543,000,000; Dr. Moulton at \$999,000,000; Mr. Cooper, since we have mentioned him, at \$1,350,000,000. Mr. E. P. Goodrich, the consulting engineer, whom I happen to know, a man of great ability and the highest integrity—I would trust him as I would trust my family doctor and have confidence in his professional conclusions—has said that the St. Lawrence waterway will cost \$1,054,000,000. As I have said, however, I had not thought to go into that phase of the question.

I was speaking about the American canal, which would involve a little more initial expenditure of money; and I think an estimate made on that particular enterprise—so short and with engineering conditions so common in engineering experience—would be very accurate. It may well be that the initial cost of the New York canal would be no more than the cost of the St. Lawrence waterway; but, at any rate, it would be hundreds of miles shorter. It would be open for a longer season. As between the canal in New York State and the St. Lawrence Canal, the difference in the season would be at least 3 weeks in favor of the former. I am saying that to the Senator from Washington, because he asked me the question, and that is the conclusion reached from such figures as I have been able to find.

For the purpose of the national defense the New York route would be of greater service to the Nation. The all-American route coincides with the present lines of railroad travel and leads to the same terminals on the seacoast. Such a canal development, it is thought, would be less dis-

turbing to commerce and trade during the part of the year when either water route would be closed by ice.

A great many surveys have been made by the Federal Government, the New York State authorities, the Canadian Government, and recently by an International Joint Commission. The result of these surveys is that we have at our command a mass of scientific and statistical material.

With this before him it is possible for any citizen to master the problems involved and to form for himself a conclusion as to which route is preferable. Both are considered feasible from an engineering standpoint. There never has been any question of that on the part of any of the engineers who have investigated. Each has its particular advantages. Each has its engineering and scientific backers. It may be said in all truth that a given citizen may form his own conclusion and, no matter what it may be, find himself in company with thousands of distinguished citizens who take a like view. Unfortunately, he will find himself in opposition to other thousands of equally distinguished citizens who are just as insistent that the other route is preferable.

ICE AND FOG ON THE ST. LAWRENCE

Whichever way is determined upon, the most we can expect of such a canal is that it shall be serviceable for not to exceed 8 months of the year. In 50 years the latest the St. Lawrence was open for navigation was the 14th of December. Three times only was it open past the 8th of December. Usually it closes about the 20th of November.

During the same period the earliest date it ever opened was the 29th of March. One year it opened on the 3d of April. Usually it opens about the 20th of April and occasionally as late as the 1st of May. One year it was the 7th of May. As a matter of fact, then, the St. Lawrence can be depended on for only a little more than 7 months of the year.

It is not alone, however, the absence of ice in the river itself that insures safety of navigation between the Great Lakes and the sea. I speak from actual observation, having crossed the ocean twice between Montreal and Liverpool.

I well recall a certain Sunday morning in July 1896. The reason why I remember the month and the year is that when we got to Quebec newspapers were brought out to the boat, and they said that William Jennings Bryan had been nominated by the Democrats for the Presidency. I was the only person on the ship who had ever heard of him before, and that was merely by accident.

The ship I was upon was the first one that season to attempt the passage of the Straits of Belle Isle. You see, every ship before July went south of Newfoundland; so our ship was the first one that year to go through the Straits of Belle Isle. In spite of the fact that navigation opened on the 24th of April, there was so much ice and so much fog in the Gulf of St. Lawrence and off the Straits of Belle Isle that it had not been deemed safe to take the northern route until our ship attempted the passage.

Did you ever see a fog in those northern waters? A fog bank is just as real as a snow bank, and when the bow of the boat runs into it, it is cut off from view as if it had run into a huge drift of snow.

Well, finally, after several days of fog and ice, because we had to feel our way through the Gulf of St. Lawrence, we reached the Straits of Belle Isle. As we entered the Atlantic, my steward called me at daybreak. He said there was an iceberg in sight and that I had better get up and see it, because another one might not be sighted on the trip. As a matter of fact, we saw 75 icebergs during that day and the next.

If you know anything about an iceberg, with nine elevenths of its bulk under water, and nobody knows how it may project under the water from its sides, and you have fog, you know very well that you are not going to make any time on your steamship. As a matter of fact, the temperature of the water was being taken every few minutes, in order to determine whether or not we were approaching ice, because it was so foggy that we could not see the icebergs.

No candid person conversant with the physical conditions of the lower St. Lawrence, and of that route to the sea, can fail to acknowledge that through a greater part of the year there is not uninterrupted passage between Montreal and the open ocean. I speak of this in no spirit of disparagement, but simply to bring to mind the embarrassments and dangers of this particular route, as compared with another one equally available which is not burdened by these objections.

EXPORT TRADE

The most ardent advocates of the St. Lawrence route are the wheat producers of the Northwest. If the proposed canal were to be used exclusively for the exportation of wheat and flour, I should frankly admit that the St. Lawrence route is superior to the all-American.

If the waterway from the Great Lakes to the sea were to be used exclusively for the carriage to Liverpool in cargo lots of automobiles, furniture, or stoves from Detroit or other western ports, I should say that the St. Lawrence route is preferable. For any cargo that is to be taken in bulk from any one port on the Great Lakes directly to Liverpool, I should admit at once the superiority of the St. Lawrence route.

If there could be profitable operation of a one-way service between the Great Lakes and Liverpool, the St. Lawrence would hold first place. Unfortunately for the advocates of the St. Lawrence route, water traffic cannot succeed on a one-way basis. Unfortunately for the St. Lawrence route, water traffic to and from the Great Lakes is not confined to bulk cargoes or to export trade. A very large percentage, probably in excess of 75 percent of the traffic between the Great Lakes and tidewater, is sure to be of package freight for domestic distribution.

WHEAT EXPORTATION

I was born on a farm. All my early life I spent in a home dependent on wheat. My nearest relatives today are farmers, raising more or less wheat for which they get more or less money—mostly less. My father was in the milling and grain business. Certainly I cannot be accused of any lack of interest in the wheat farmer. If I believed the St. Lawrence waterway would lighten the burden of the American wheat grower, I would be for it, no matter what the New York Chamber of Commerce, frequently referred to in this debate, might think about my stand.

May I say in passing that I had conviction on this subject long before I lived in New York and doubtless before I ever knew there was such a body as the New York Chamber of Commerce. My sense of fairness and personal acquaintance with many members of that great institution, however, give me a greater degree of respect for the chamber than apparently held by some Members of the Senate. Certainly I am not aware that the New York organization has been at all offensive in the statement regarding the St. Lawrence project. I speak of this because reference has been made on repeated occasions to the New York Chamber of Commerce as if it were the great beast back of this opposition to the canal. I have not had that particular pressure brought to bear upon me, but sometimes I am overlooked by New Yorkers.

For myself, I think it would be better if we settled the issue upon its merits without undue excitement over what its proponents or opponents may attempt by use of propaganda.

A discussion of a waterway to the sea would amount to nothing unless its possible relationship to wheat exportation were given particular attention. This I shall attempt to discuss briefly.

The American wheat farmer is confident that the St. Lawrence Canal will benefit him materially. He has dreams of cheap freight rates and greater revenue in consequence.

It must be admitted that every dollar saved on freight charges is a dollar made for the farmer. He will benefit directly by economies of this sort. This is true of export trade, as it is of domestic. This I shall concede, of course.

The exigencies of the World War created an unheard-of demand for American wheat. For the 4 or 5 years before

the war the exports from the United States averaged about 100,000,000 bushels annually. In 1915 there was a jump to 335,000,000.

The war interfered with European—particularly Russian—production, a condition continuing till the end of 1923. Since that time there has been gradual improvement in foreign wheat crops. In consequence, by 1925 our exports fell to 108,000,000 bushels, including flour converted into terms of bushels of wheat. It was better than this in 1926 and 1927, but has now declined to about 135,000,000.

AMERICAN WHEAT A DECLINING CROP

But this does not tell the whole story. A study of Canadian wheat prospects as against American is most illuminating.

In 1910 Canada planted 8,000,000 acres with wheat and exported 56,000,000 bushels. By 1928 she planted 25,000,000 acres and exported 422,000,000 bushels. In 1931 she exported 50 percent more wheat than the United States. She is rapidly outstripping us in wheat growing and exportation. The Dominion has 80,000,000 acres of the best wheat land on earth ready for wheat when there is a demand for it. She now has 27,000,000 acres of wheat against our 55,000,000. In spite of our increase in population, there has been a steady decline in our acreage of wheat, while at the same time there has been a trebling of the production of wheat and the number of acres in wheat in Canada. With cheaper lands and labor and greater productivity in Canada, we are in real danger.

Contrast the figures I have given with conditions in the United States. In 1910 we had 45,000,000 acres in wheat, jumped to 75,000,000 in the one year, 1919, and have settled back year by year, until at present we have only about 55,000,000 in wheat acreage.

In short, our increase in wheat production is practically nil, in spite of the great increase in population, while Canada has trebled her acreage and products in less than 20 years. That progressive nation will continue to increase her acreage and exports of wheat.

To me the logic of the situation is irresistible: Within a very short time the United States will disappear as a wheat exporter. Because blood is thicker than water and because of materially lower prices of production, Great Britain will prefer to import Canadian wheat and eventually the Liverpool market will be lost to us.

My nature is such that I would rather a thousand times preach the gospel of hope than that of despair. But, after all, it is sensible to meet issues as they are, and not play the ostrich by shutting eyes to the truth.

With the increasing production of wheat in Russia, the Argentine, and Australia, as well as in Canada, how can we hope to maintain our former position as an exporter of wheat? Long before the St. Lawrence project could be finished we would find other uses for our land and for the wheat we produce. Australia has doubled her production in 10 years, South America is increasing rapidly, and nobody knows what Russia may produce. The domestic market must be depended on for the absorption of our wheat crop.

May I say in this connection that we have neglected the domestic market? Within a few years our domestic consumption of wheat and wheat products has decreased 120,000,000 bushels, and is declining at the rate of six or seven millions annually.

I regret this, because, as a physician, I am interested in preserving and bettering the public health. Regardless of what current statistics may show as to the sickness and death rates, there can be no doubt that the underfeeding, or improper feeding, particularly of the children, must result disastrously. The next generation will suffer for the deprivations of this period. Nothing could give greater guaranty of good health and long life than a material increase in the consumption of bread and milk.

You may think this statement has little to do with the St. Lawrence Canal. But, after all, it is closely related to it. If our people were properly fed, there would be no wheat to export, and then we would not worry over the treaty.

In what to me is always a fascinating volume, the "Yearbook of Agriculture", are some interesting plates. I want Senators to look at these plates, in order to see the shifting of wheat acreage.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. REYNOLDS. The Senator just spoke of a very interesting part of the subject which he has under discussion in regard to wheat. I might state to the Senator, for his information, that I have been informed that Australia alone is thoroughly capable of growing a sufficient amount of wheat to supply adequately the needs of every country of continental Europe. I might state, further, that although Russia for the past several years has had occasion to import several million bushels of wheat—in 1930 I think the importations amounted to something like 25 or 30 million bushels—Russia being in area twice the proportions of the United States, it has been estimated by reliable people familiar with the subject that if they were to cultivate all the land that is peculiarly adapted for the raising of wheat, that one country alone would be able to supply the needs of the entire world. I am in hearty accord with the Senator when he says that the time will come when we will not be a wheat-growing country, that our lands will be utilized in other directions.

I can very well see, I might say to the distinguished and able Senator from the State of New York, that the people of Canada are vitally interested in seeing this waterway completed, because Canada at present is the wheat-growing country of the world, and it is quite natural for us to feel and to know as a matter of fact, that the Canadian people are desirous of this waterway being completed in order that they may be provided with better facilities for making exportations of their grain.

Mr. COPELAND. I agree with the Senator, and directly I shall show that this St. Lawrence project is of tremendous importance to the wheat growers of Canada—of Saskatchewan, Alberta, and Manitoba. It will be valuable to them because they will have advantages which our farmers do not have, by reason of the lower railroad rate which they enjoy, and which I will discuss in a moment.

I wish now to refer to the Agricultural Yearbook. On pages 141, 142, and 143 of the 1933 issue are maps showing the distribution of wheat acreage in the years 1869, 1889, 1899, 1909, and 1929.

I give these references so that readers of the RECORD, who may, perhaps, be interested, may refer to this handbook, which is a public document and available to any citizen.

The maps on the wall show the distribution of wheat acreage in the United States, and since this waterway is to be a Canadian waterway, it is right that we should glance at the maps a moment.

The great sections here on the map [indicating], Manitoba, Saskatchewan, and Alberta, are the great productive wheatlands of the world, I may say. There is acreage there sufficient to do exactly what the Senator from North Carolina suggested—to raise enough wheat to supply the whole world, if they want to, because in addition to the 27,000,000 acres under cultivation there are 80,000,000 more acres of the richest wheatlands in the world lying in those Provinces of Canada.

It is certainly remarkable how the areas of wheat production have shifted during a period of 60 years. The bulk of wheat available for export is now produced in an area incapable of benefit by any waterway from the Great Lakes to the sea.

I wish every wheat farmer in America had a copy of this Government publication and could see for himself what is happening to the industry. Let me quote from page 143 of this report:

The hard winter wheat region had expanded still more by 1929 when it constituted the most important wheat-growing region of the United States, and produced the great bulk of wheat available for export.

The figures show that in 1930, out of a total production in the United States of 524,000,000 bushels, 56 percent of the

whole, or 293,000,000 bushels, came from the soil of Nebraska, Kansas, Oklahoma, and Texas. Surely, with the Missouri and Mississippi Rivers and the Gulf, these States cannot be very enthusiastic over a waterway to the Atlantic. With greater interest than any other section, because it raises the exportable wheat, this area must look south and not east. Manitoba, Alberta, and Saskatchewan, in Canada, have far more at stake in the St. Lawrence waterway than any wheat-growing section of the United States. Consequently, they have far more interest in the St. Lawrence project than has any wheat section in the United States.

I am often surprised at the enthusiasm over the recognition of Russia, when I think that all Russia need do is to consider the meager cost of feeding the labor, with no thought whatever of what they shall pay labor. They can sell wheat in Liverpool at 20 cents or 10 cents a bushel above the cost of production and yet undersell by 50 percent any other country in the world. But all of us living in the Western Hemisphere and interested in wheat exportation have reason to shudder over what Russia, with its soil, climate, and serf labor, will do in supplying wheat for the world.

Certainly that country can give Europe its full supply. It is only because of blood relationship that the colonies of Britain will suffer less than we do.

FREIGHT RATES ON WHEAT

May I return now to discuss the freight rates and to consider briefly the relative advantages of the St. Lawrence project to Canada and the United States. Comparison of freight costs and facilities may be interesting.

Duluth in our country and Fort William in Canada are the extreme western lake ports through which wheat is shipped for domestic consumption in the home country or for export to Europe. The rates by water from these two cities to the Atlantic seaboard are approximately the same.

Whether a canal is built or not, then, Americans and Canadians are on the same basis so far as water transportation is concerned. But they are not on the same competitive basis when we consider the rail rates from points of production to the lake-head.

There is little difference between the rates from the Dakotas to Duluth, but Montana and other points farther west are at a considerable disadvantage. For example, the rate from Butte, Mont., is 44½ cents per hundred, while it is only 26 cents from Alberta and Saskatchewan points. This gives the Canadian shipper an advantage of about 18 cents a hundred, or about 11 cents per bushel.

In addition, the Canadians have the benefit of the differential rate afforded her colonies by Great Britain.

What do these figures prove? They show conclusively that the St. Lawrence waterway will not better the prospects of the American wheat farmer. He will continue to be on the present basis of competition with his neighbors across the line. As the Canadians increase their acreage, the cheaper rail rates in Canada, to a considerable extent, and the sentimental tie between England and her colony, to a greater extent, will cause Canadian exports of wheat to increase still more while ours continue steadily to decline.

There is no hope, as I see it, that the digging of a canal to the sea will help the American farmer to dispose of his wheat. There is one advantage, however, although it must be shared with the Canadian wheat exporter. I refer to the possibility of loading a ship at the lake-head and sending it directly to Liverpool. This will save the "fobbing" charges—elevator service, storage, brokerage, insurance, and so forth—at Buffalo and New York, or in Montreal, as the case may be. Perhaps a few cents a bushel might be saved in this way. This amount, added to the saving by water transportation over all rail or part rail to New York, might amount in normal times to 4 or 5 cents a bushel. But I seriously doubt it because of my conviction that the St. Lawrence Canal would be so essentially a one-way route that the present rates could not be materially reduced.

In calling attention to the better freight rates over the Canadian National Railways, which are operated by the Government, it is proper to refer to the losses incurred in

the operation of these lines. This deficit averages about \$60,000,000 per year.

The wheat farmers get the benefit of lower rates, fixed in the charter of the National Railways at 26 cents a hundredweight, but the National Railways carrying the wheat are operated at a loss of \$60,000,000, made up by general taxation in Canada.

Mr. REYNOLDS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Carolina?

Mr. COPELAND. I yield.

Mr. REYNOLDS. With particular reference to what the Senator from New York has just said, I wish to say I am under the impression that our Government has loaned the railroads of this country about 3,000 million dollars. I will ask the Senator if that is the correct amount.

Mr. COPELAND. I do not know the exact amount. I will say it is a lot of money.

Mr. REYNOLDS. About \$3,000,000,000. It strikes me that by providing competition for those railroads, in which our Government is financially interested, we are thereby tending to prevent our Government from collecting the principal or the interest upon that enormous loan.

Mr. COPELAND. This diversion causes me to say that if we really want to give employment to American labor by some such project as we are proposing, and to provide more shipping facilities that can be used throughout the year, we had better take the money and build three freight railroads between Boston and Chicago, which could be done for less money than the proposed canal would cost.

As I said a moment ago, the loss of the National Railroads of Canada is about \$60,000,000 per year. Were the proper proportion of this loss added to the rates on wheat, there would be less advantage to the Canadian shipper.

But no matter how it is figured, the fact remains that no waterway to the sea can possibly overcome the growing menace of Canadian competition in wheat exportation and the effect of the shifting wheat production in our country. As it is to assist the marketing of this commodity, particularly, that America has an interest in the waterway, we should face the facts as they are. To do so now will save heartburnings in the future.

THE ST. LAWRENCE A ONE-WAY ROUTE

I view the St. Lawrence route as one bound to be limited in its uses almost exclusively to eastbound traffic. Its value to Americans is confined to the advantage it offers in the exportation of bulk cargoes from the Great Lakes. If there is enough wheat to fill a ship, or if one port should have enough automobiles or any other product, to complete a cargo for Liverpool, it would go somewhat quicker, if not more cheaply, than by the American route. But that is all that can be said for the St. Lawrence waterway. For the shipping of domestic freight to or from the West, the Canadian project has almost no value to America.

One has but to study the Montreal traffic situation to see how valueless the St. Lawrence is to the American merchant receiving goods from the East.

We do not have to imagine it. There is a waterway there now in actual operation. Barges go back and forth through the canals of the St. Lawrence. So we do not have to resort to imagination. We can make use of figures of a waterway actually in use.

In a recent year, of the lake carriers arriving in Montreal with grain, coal, and flour, no less than 2,670 returned westward without cargoes. There was absolutely nothing for them to take west. These are the official figures obtained from the Lachine Canal office, Montreal.

The boats in question came down from the Great Lakes carrying cargoes and went back empty, just exactly as vessels would do if the proposed waterway is built. They will go from the Great Lakes, down the St. Lawrence River and over to Europe, and will come back empty, or else carry cargoes we do not want, brought into competition in shipload lots with American production.

There need be no expectation of better conditions merely as a result of deepening and widening canals which are already in existence.

To my mind, it is absurd to think the St. Lawrence route would profit the Great Lakes ports, or the great western population of our country. A one-way water system could never pay, and this route could never be anything but a one-way system. What is produced in Europe that the Midwest wants in ship-cargo lots? Regardless of the doubtful advantages to the decreasing exportation of wheat, what else is there to expect from a through line to Europe, entering the sea a thousand miles from our own eastern and southern Atlantic seaboard?

The American railways carrying freight to and from tide-water are handling goods for domestic consumption. If I am correctly advised, 85 percent of all the traffic is of this type.

If this is true, the only kind of a waterway that will benefit the great masses of American shippers is one which will cheapen or facilitate the carriage of freight for domestic consumption. There is but one route to serve this purpose. It is the one which coincides with present-day railway development.

There are several reasons for this statement. In the first place, any waterway from the Great Lakes to the sea will be open, at best, but 8 months in the year. During the other 4 months, and usually nearly 5 months, the railways must be depended on as they are at present.

This being true, is it not wise to parallel the railway lines as nearly as possible? Then the same terminals at tide-water, the same brokers, the same bankers, the same offices, can be used the year round. There can be no doubt, it seems to me, that satisfactory trade arrangements can be made best by such a plan, if we are to engage in such an enterprise at all.

As a nation we have determined upon the Illinois-Ohio-Missouri-Mississippi waterway. With a policy of internal canals already established, it is illogical to go beyond our borders with another route to the sea.

I can see the reason for the Mississippi and Missouri developments through the heart of our country, but contrast those developments, Mr. President, with a waterway which leaves immediately the boundary of our country and runs a thousand miles east and seven hundred miles north of the United States at the source of the river. I cannot understand how it is possible for anyone, after even a glimpse at the map, to favor the St. Lawrence waterway.

LABOR AND THE CANAL

Is it not well to suggest, too, that it is pretty venturesome in a time like this to impose on the railroads the competition of the seaway? As the Senator from North Carolina has just suggested, they owe us \$3,000,000,000. How are they ever going to pay if they are to be still further embarrassed? How will they ever repay the billions they owe our country?

Shipping from over all the world might be attracted by the novelty of fresh-water navigation, but I doubt it. Salt-water sailors, you know, Mr. President, are not fond of fresh water. To attempt to take a sea-going vessel into the Great Lakes would frighten the average deep-water sailor so that he would have to be put on double rations for the rest of the voyage.

Nobody has studied the economic possibilities sufficiently to know with reasonable certainty what might happen if the St. Lawrence waterway should be opened. One of the protests we have made in New York against this project has been that no economic survey has been made. I was told on the floor of the Senate last year, when I called attention to this, "Oh, yes, an economic survey was made on the last day of the hearings." So I took the hearings and I found that on February 10, 1933, the last hearing was held, at which the "economic survey" was presented to members of the Senate committee.

The subcommittee met, pursuant to the call of the chairman, at 11 a.m.

"At 11 a.m."; and I find at the end the words—

Whereupon, at 11:50 a.m., the hearing was closed and the committee went into executive session.

Therefore, for a period of 50 minutes the economic survey was presented, presumably. As a matter of fact, no Member of the Chamber, in my opinion, has yet thoroughly studied the economic conditions and possibilities associated with the building of this proposed canal.

If the waterway proved to be popular there would be such an upset in railroad traffic as to drive thousands of workers into the already too long bread lines. I can see how the maintenance of road men, the operatives of the railroads, their clerks, and other employees associated with them would go into the bread lines—coal miners and car builders would be without labor. That would surely happen if the brilliant prophecies regarding the St. Lawrence Treaty advocates should be realized.

As a matter of fact, the authors of the treaty gave little hope to American labor in writing the document, and, even though it has been repeated here time and time again, for the purpose of my own discussion I call attention to article 3 of the treaty. When I speak in private conversation of article 3 and say that the facts I am about to relate are contained there, always I am told, "No; that is not in the treaty; that could not be in the treaty." But what does the treaty say?

Insofar as possible in respect to the works to be constructed by the Commission, the parts thereof within Canadian territory—

And most of the work in the international section, where the money is to be spent, would be in Canadian territory—

Mr. LA FOLLETTE. Mr. President, I cannot permit the Senator's statement to go unchallenged. I inquire if the Senator has seen the letter of the Assistant Chief of Engineers, General Pillsbury, on that subject, a letter addressed to the chairman of the Power Authority of the State of New York, in which he shows conclusively that only one fifth of the work to be done with United States funds expended for Canadian labor and materials will be on the Canadian side of the international boundary line?

Mr. COPELAND. Let me take the language of the treaty exactly as it is. The treaty continues—

Or an equivalent proportion of the total works—

Therefore at least one half of the work in the international section will be paid for out of the funds of the United States to Canadian labor, to Canadian engineers, and for Canadian material.

Mr. LA FOLLETTE. No; the Senator is absolutely mistaken insofar as the official figures are concerned. In that connection, if the Senator will permit me to do so, I should like to read a letter from General Pillsbury to the chairman of the New York Power Authority, dated October 20, 1933. It is as follows:

In accordance with your request for information on the percentage of funds furnished by the United States under the Great Lakes-St. Lawrence Deep Waterway Treaty which will be expended for American labor, material, and so forth, I take pleasure in advising you that of the total amount of estimated expenditures of American funds of \$257,992,000 for both navigation and power work approximately 80 percent will be expended by the United States engineers with United States labor and United States materials. The remainder under the terms of the subparagraph (b) of article 3 of the treaty will be for work executed by Canadian engineers and Canadian labor and with Canadian materials for work within Canadian territory to be constructed by the temporary St. Lawrence International Rapids Section Commission. Approximately 60 percent of the total cost will be expended on work in the State of New York.

Mr. COPELAND. Has the Senator finished?

Mr. LA FOLLETTE. I have.

Mr. COPELAND. Very well, Mr. President. I do not care what any engineer or anybody else has written; I wish to put in the RECORD and have Senators hear what the treaty says. This is what we have before us, not the report upon it of some engineer. Quoting from page 3 of the hearings, in article 3 of the treaty, paragraph (b), it is provided:

That, insofar as is possible in respect to the works to be constructed by the Commission, the parts thereof within Canadian

territory, or an equivalent proportion of the total of the works, shall be executed by Canadian engineers and Canadian labor and with Canadian material.

Mr. President, I may not know much about the English language, but I do not have to have an engineer tell me what that means. It means that at least half the work done in that canal, whether on the Canadian side or on the American side, shall be paid for out of funds supplied by the United States Government for Canadian engineers, Canadian labor, and Canadian material.

Mr. LA FOLLETTE. Of course, Mr. President, if the Senator from New York wishes to set himself up as an authority over and above the engineers who have studied this project, who have made estimates, who have broken the figures down into their component parts, and have officially stated not only to the representative of the Senator's own State, the New York Power Authority, but to the President of the United States upon their responsibility to him as Commander in Chief of the Army, that 80 percent of the funds are to be spent in American territory for American labor and materials and under the direction of American engineers, I cannot hope to argue with him on the subject; but it does seem to me that the opponents of this treaty should give some consideration to the fact that these reports which have been made to the President of the United States at his direction, and upon which he himself has spent a great deal of time, and which he has transmitted to the Senate under the official responsibility of his office, should have consideration rather than the opinion of any Senator, even one so distinguished as is the Senator from New York.

Mr. COPELAND. I am very much obliged for the encomium just applied to me in the remarks of the Senator from Wisconsin, but I am not talking about any opinion given by an engineer or by anybody else. I assume that the Senator from Wisconsin has taken refuge back of the entire cost of the canal, considering all phases of it. I frankly said that I am discussing the International Rapids section of the canal, and that is the section which is of the greatest interest to my State.

Mr. LA FOLLETTE. The International Rapids section is the section that I am now talking about, and that is the section to which the Assistant Chief of Engineers' letter is, in part, directed.

Mr. COPELAND. I am not surprised that the Senator from Wisconsin or anyone else who is so determined upon the ratification of the treaty should find all the reasons he can to sustain his position. I want to say for the RECORD in order that anybody who may read the RECORD in the future may understand my position, that I am not depending upon what any engineer says or upon any statement which has been sent in from outside by anybody, lawyer or Senator. I do not care who may have given the statement to the Senate, I wish to state for the RECORD that we find in the treaty what I have referred to, and the treaty is what we have before us. We are considering the treaty, not what somebody thinks about the treaty. We are considering the language of the treaty, and the treaty itself provides that—

Insofar as is possible in respect to the works to be constructed by the Commission, the parts thereof within Canadian territory, or an equivalent proportion of the total of the works shall be executed by Canadian engineers and Canadian labor and with Canadian material.

Mr. LA FOLLETTE. Mr. President, if the Senator will yield further, of course the Senator understands, as we all do, that the estimates upon which the treaty is predicated were worked out by the joint board of engineers. All the allocations of cost, every phase of the actual construction work, are part and parcel of the treaty because it is upon the basis of the study made by the joint board of engineers that the treaty is predicated.

Mr. COPELAND. I do not think that has a thing to do with the discussion of article 3 of the treaty.

Mr. LA FOLLETTE. Of course it has, because the joint board of engineers and the Corps of Engineers of the War Department are the ones who have worked out the allocations of cost. They are the ones who know how the project

is to be built and how the costs are to be divided. Their statement is conclusive as to how much money is to be spent for Canadian labor and Canadian material.

The fact remains that if the treaty is ratified, in order that the United States Government may assume its fair share of the cost of the project, two dams must be built across the International Rapids section of the river; and in return for the credit which Canada gets for having built, solely out of her own treasury, the Welland Canal at a cost of \$128,000,000 and other improvements, the United States must make an expenditure to equal that of the Canadian Government on the projects which she has built heretofore out of her own money, but which become integral parts of this waterway if it shall be completed.

The Senator is utterly mistaken in his statement that 50 percent of the costs of the construction in the international rapids section will be expended for Canadian labor and Canadian material. The boundary line runs down the river in the international rapids section. It curves back and forth. The engineers have worked out to the last cent what proportion of the work will be on the Canadian side of the boundary line and what proportion of the work will be on the American side of the boundary line. After having made those estimates, they have submitted them upon their responsibility to the Senate and to the Congress. I submit that their statements, after this study and after having worked this out in detail, are worthy of the greatest weight in view of the integrity and the character of the work which the Corps of Engineers have done in the past.

If the Senator from New York desires to impeach the integrity and ability of the United States Corps of Engineers, he impeaches their integrity and their ability upon every project for rivers and harbors that has been built in this country since 1902. He impeaches their integrity and their ability to work out estimates not only upon this waterway, but upon every harbor, upon every river, for every project for flood control, which has been constructed under their jurisdiction.

So far as I am concerned I think it does not come with good grace for Senators representing States where millions upon millions of dollars have been expended upon the estimates of this splendid Corps of Engineers, to attempt now, for the purpose of beclouding the issues involved in the treaty, to impeach either their integrity or their professional ability and standing.

Mr. COPELAND. Mr. President, I had supposed the Senator was going to make his speech when I got through. But I have been much interested in it. The only trouble is that it does not apply any more to what I was saying than it does to a discussion of politics on the planet Mars. I have not impeached the Army engineers. There is no one in the Chamber who thinks more highly of them or who has defended them in season and out of season more vigorously than I have. It is perfectly absurd to talk of such a suggestion having come from what I have said. I am discussing the treaty which is before us. I am not discussing what the Senator from Wisconsin thinks about the treaty or what some engineer may have told him about it. I am talking about the language of the treaty, and I am discussing the international section of the treaty. Having listened to the eloquence of the Senator from Wisconsin, I shall now proceed with my own discussion.

In article III of the treaty, which relates to the international rapids section of the canal, provision is made that all parts of the work within Canadian territory or an equivalent proportion of the total work shall be executed by Canadian engineers and Canadian labor and with Canadian material and that all such costs are "to be paid out of funds which the United States hereby undertakes to furnish as required by the progress of the work." I leave it to posterity to read the RECORD and judge whether or not I have made a fair statement of the facts in attempting to place before the Senate the argument I have presented.

If the waterway proves to be popular there would be such an upset in railroad traffic as to drive thousands of workers into the already too-long bread line, but as a matter of

fact, the authors of the treaty give little hope to American labor in writing the document, as I have already indicated by reading from the treaty itself and not from something that somebody wrote about the treaty.

If this waterway is an employment project, it is for Canadian unemployed and not for American unemployed. I can hear the cry of a distressed man in any language, but in this time of American suffering, our common interest dictates that we must first care for our own, especially when our need is greater than that found in our neighboring country.

To spend \$200,000,000 for Canadian employment is far more generous than we can afford to be in these times. I pray we may never disregard their needs when we are able to assist. But certainly we must not deprive them or our own household of the bread of life.

In letter and effect this treaty has overlooked labor. It must be rewritten if it is to be socially just.

MONTREAL THE BENEFICIARY

There is another thing which must not be overlooked: Why take a chance on building up in a foreign country the chief North American seaport? This is a question of burning interest to every seaport in the United States.

Montreal has grown and prospered until it has become the second port on this continent in point of freight tonnage. As I have suggested, it is now the principal grain port of the world. If the St. Lawrence waterway is developed, Montreal must rush forward by leaps and bounds. It will become the chief transshipment port in North America, if the prediction of the St. Lawrence's advocates are realized.

If the Great Lakes should really become a second Mediterranean, there will be mixed cargoes in which package freight will predominate. These cargoes must be broken up and transhipped. Unless steamship lines to all parts of the world begin or end in each of the large lake ports, there will be assembled on each ship sailing from the Great Lakes to Liverpool, packages which must be sent by other carriers to their respective destinations. Not every cargo can be bulk cargo. Unless confined to grain, automobiles or some one commodity, shipped in quantities large enough to fill a ship, most of them will be mixed cargoes.

COASTWISE SHIPPING LAWS

In this connection let me call your attention to the coastwise shipping laws. A foreign ship is not permitted to stop along in American ports, picking up a little cargo here and more there. It must land in or clear from one port only.

Since package freight would make up at least 75 or 80 percent of the business there would be no inducement under present laws for foreign liners and even tramp ships to go into the Great Lakes for cargoes. I can see that an immediate demand would be made to break down our restraining laws and permit coastwise traffic.

What would Andrew Furuseth say to this? Our old friend, Senator La Follette, the elder, would call down to us from the battlements of heaven to protect the American sailor.

If our coastwise laws were amended in the manner suggested, the lower standards of pay and living imposed on the labor of foreign ships would make American competition impossible.

On the other hand, there would be no inducement to American shipping to use a route to the Great Lakes which demanded 1,500 miles of extra steaming to carry coastwise freight to and from the seaports of the United States. No matter how we look at it, there would be little encouragement for the owners of bottoms, foreign or American, to use the route.

In the last analysis it would be a one-way system, perhaps, of remotely valuable use to the exporter of wheat. Certainly all of us are such good Americans that we should hate to see shiploads of furniture, plumbing supplies, cement, and other products of foreign manufacture brought in to compete with the makers of similar articles in the Central and Western States and other parts of the United States.

TRANSHIPMENT

But whatever ships might sail the inland seas there would be a great preponderance of package freight. This means that somewhere on the waterway, or in Liverpool, there must be rearrangement of the cargo. If the freight is intended for an American port or for South America, of course, the transshipment would be made before crossing the ocean.

Such transshipments would naturally be effected at tidewater, and the first such port, to which and from which sail vessels to all ports of the world, is Montreal. In this port, then, would be the breaking of cargoes, with the consequent commercial development of a great center outside the boundaries of the United States. Our national prosperity would suffer in consequence.

Canada has achieved political independence. With her new-found political and diplomatic freedom has come worthy dreams of commercial development. Already she has perfected arrangements for a powerful steamship line to the West Indies. Mail subventions are in her hands to use and she has started on her way as a worthy competitor to the United States. For us to make possible the building of the St. Lawrence Canal would be to play into her hands and to assist her perfectly proper ambitions.

There can be no doubt that in time of war, which God forbid, the waterway should be one which is a protection and not a menace to the national defense. To me this seems self-evident. I shall not enlarge upon this phase of the subject.

We are striving to build up an effective and permanent American merchant marine. Why should we lay plans to hamper it by this blow against our own shipping interests?

To give Montreal commercial supremacy on the Great Lakes-to-the-ocean waterway would result in what? It would encourage Canadian and British steamship lines to continue their routes into the Great Lakes, with a view to picking up more and more of our shipments. Inevitably American interests would suffer seriously from this invasion of our natural and national rights.

If it is built at all, the waterway to the sea should be built where it will guarantee the use of American carriers and American ports. Otherwise our own country will be the loser. To build the St. Lawrence Canal is the first step toward the destruction of our merchant marine. It will defeat any effort to gain supremacy on the Atlantic. As I see it, no American patriot who has carefully studied the question and has awakened to its possibilities could think of such a thing as the promotion of the St. Lawrence Canal.

I say that without any intent whatever to offend one who takes an opposite view. But it seems to me that where one is fully informed regarding what may happen as a result of building the St. Lawrence waterway, he cannot really support it.

Mr. BONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Washington?

Mr. COPELAND. Yes.

Mr. BONE. I believe the Senator will agree with me in the statement, in connection with the one he has just made about cargoes being carried in foreign bottoms, that when cargoes originating within the interior of the country reach tidewater, they may be, and frequently are, carried in foreign bottoms; and all of our American ports at tidewater are now open to foreign ships. I am wondering—and I am just asking this question; perhaps the Senator may care to answer it—whether it would be worse for the country were those cargoes to be carried from an American port on one of the Great Lakes rather than from a port at tidewater on the great ocean gateways on the Atlantic or Pacific coast. In other words, if the foreign bottom is going to carry the freight, the only difference between that sort of a transaction if it were from a seaboard port and one from an interior port would be that the American rail lines might have the rail haul from the interior to the seaboard port. I am wondering if the Senator agrees with the conclusion that one would be as bad as the other.

Mr. COPELAND. Whatever use might be made of the waterway from the Great Lakes for package freight, which is what we are speaking of, I assume that if these cargoes were picked up in cargo lots and it were a foreign ship—unless we should modify our coastwise laws, it would have to be a full cargo—then at tidewater it would discharge its cargo and break it up into those parts that were to go to other parts of the world than the destination of the ship. If such a cargo got to tidewater at Montreal, there would be the necessity there, in my judgment, of taking that freight by rail to the Atlantic seaboard, because of the unwillingness of our vessels to make that long steaming trip of 1,500 miles into the St. Lawrence River. If there could be lines of vessels running from every port on the Great Lakes—from Chicago, from Milwaukee, from Detroit, from Cleveland—so that every part of the world could be reached with full cargoes, there would then be no necessity of transshipment, and the cargo would go through to its destination; but there could not be those full cargoes with a foreign ship unless perchance it should be of a cargo of grain, because in all probability there would not be enough material in one port to fill a ship. I am sincere in this belief that the first thing that would be done would be an attempt on the part of foreign shipping to break down our coastwise laws so that they could shop along and get their full cargoes. In that event perhaps they could get full cargoes which would actually go past Montreal into some port abroad.

Mr. BONE. Of course the Senator realizes that that would be impossible without the sanction of Congress.

Mr. COPELAND. Oh, yes; but the same pressure that crowded through this treaty would be applied to changes in the coastwise shipping laws.

Mr. BONE. And this country, in common with, I think, practically every country in the world, has shipping laws that forbid vessels flying foreign flags to traffic between domestic ports; and I can hardly conceive of this country or any other country agreeing to such a change in its shipping laws. Of course, a foreign vessel coming into an American port on the Great Lakes would have to content itself with touching one port, and not carry freight or passengers between ports.

Mr. COPELAND. I may say to the Senator from Washington that I am very earnest in my desire to impress upon him and upon others that the only cargo I can think of that would be benefitted by this route would be wheat. I think there is no question about that. I have conceded that all the way through. Yet I have attempted to show that the shifting of the growth of hard winter wheat into the Southwest is making it less and less likely that the port of Duluth or Chicago would be used. My judgment is that the Missouri and the Mississippi and the Gulf would get that traffic. But if wheat were loaded upon any ship, whether a foreign ship or an American ship, for Liverpool, then a direct and fairly short route would be available for 7 months of the year which would carry the wheat through to Liverpool at an advantage over present methods of transportation.

When it comes to package freight, however, I cannot conceive how any use can be made of the waterway into the Great Lakes, because the foreign bottom would have no incentive to go there, for, unless the coastwise shipping laws could be done away with and the foreign ship could shop along to get a cargo, there would be very few full cargoes to take out of the Great Lakes.

So far as the American ship is concerned, my contention is, if I may repeat myself, that it is necessary to go such a roundabout way—1,500 miles up the coast into the Gulf of St. Lawrence, and then the long route from there into the Great Lakes—that the steaming expenses and the maintenance of the ship would be so great that there would be no incentive to do it. So the conclusion of my argument is, and it is my own conclusion, that this would fail as a waterway.

Mr. BONE. May I ask another question? If, for instance, it were desired to deliver freight to one of the points

on Lake Michigan, does the Senator think it would be cheaper to land it in the port of New York and ship it by rail from there to Chicago than to steam up the Atlantic coast and then through the St. Lawrence and through the Lakes to Chicago? I do not know, and I am asking the Senator if he has any figures that would indicate any difference in the cost?

Mr. COPELAND. That is exactly what I think. I think that the additional cost of going up this roundabout way for a very limited period of the season would not make it attractive to ships from Seattle and other points in the West to go through the Panama Canal and on up the coast to take the St. Lawrence route.

CONCLUSION

To my mind, next to famine and pestilence, no greater calamity could befall the Nation than to have our people lose sight of the spiritual values and devote themselves wholly to material things. Unless we continue to practice the virtues and to uphold the standards of those pious folk who founded the Republic, we might readily become decadent.

The Declaration of Independence stressed what its author declared to be inalienable rights, particularly, life, liberty, and the pursuit of happiness. The Constitution was adopted to establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty.

In the background of these great instruments of human rights, is that primary declaration, the Decalogue. There can be no hope of happiness, justice, tranquillity, or the blessings of liberty, unless as a people we observe the admonition of these fundamental statements, whether God made or man made: "Thou shalt not covet thy neighbor's house, * * * nor anything that is thy neighbor's."

Unless we live up to these ideals we must fail as a Nation. It is upon the universal recognition of these spiritual values that our fate is fixed. America must never depart from these formulas of conduct and aspiration. We must not disregard these if we would hold an honorable place in the family of nations and thrive in the fair land God has given us.

I deem it wise to make this declaration of high purpose. Otherwise, what I have said today may seem so materialistic that I might be accused of possessing no sense of spiritual values.

We have before us many problems of great material concern to our country. Unless they are solved wisely there will be unhappiness among our people. We may hope and strive to solve them without impairing the welfare of the several States and other nations. But for the sake of our own prosperity and the happiness of the people, we must seek to protect what we earnestly believe to be our own rights.

It is because I anticipate criticism that I speak about spiritual values and mention our relationship as a nation to the peoples of other countries. We do not covet our neighbor's house or anything that is his. But, my countrymen, we must insist upon those rights, privileges, and advantages that are essentially our own. It is to that thesis and to that alone that I have addressed myself.

We do not choose, never have chosen, and never will choose, to stand in the way of the national and commercial aspirations of any nation so long as they are essentially and rightfully hers. But we would not be worth our salt as a nation unless we demanded for ourselves those things that are ours by inheritance, tradition, and right. We would be untrue, each to his own State and to the Nation itself, if we did not seek to impress upon the Congress the course which will best "establish justice, insure domestic tranquillity, provide for the common defense, and promote the general welfare."

I shall be accused of being chauvinistic—I have been already this afternoon—that I am thinking of New York alone. I hotly deny this. What is good for New York in the matter under discussion is good for the American people.

If this treaty were limited to the development of hydroelectric power out of our boundary waters, I should favor it with all my heart. I stayed up many a night to further legislation for the building of Boulder Dam. My State had no direct interest in that project. But it seemed to me a thing of national concern, because of the possible benefits for a great section of our common country.

I would favor a treaty with Canada for power development on the great river even though it would benefit Ontario just as much as New York. I would favor the canal if I felt it would really advance the interests of the Northwest. But, for the reasons I have given in part, I must declare myself as against a project which in my humble judgment would harm the country and by its disastrous economic effects do damage far in excess of any possible benefits.

(The editorial and letter submitted by Mr. WALSH at the beginning of Mr. COPELAND's speech and ordered to be printed in the RECORD are as follows:

[From the Baltimore Sun, Jan. 22, 1934]

A WIDE DISPARITY

In considering the arguments for and against the St. Lawrence waterway, one would be saved much trouble in arrival at the truth if he could simply adopt the thesis of Senator SHIPSTEAD, of Minnesota—that the opposition is inspired by the railroads and bankers for their own sinister ends. But admitting that these interests may be up to all kinds of devilry, there remains to be explained a divergence between figures of cost issued by the War Department and those compiled by other investigators, the Brookings Institution, for example.

This divergence in estimate is so great as to make it impossible for searchers after the facts to accept the Senator's easy method of disposing of the whole business. The War Department's report to the President puts the net cost of the project at \$182,726,250, assuming that New York is to pay \$89,726,750. But in the survey of the Brookings Institution it is pointed out that the War Department's report embraces only the cost of the improvements in the St. Lawrence River and interconnecting lake channels. The cost of suitable lake harbors and requisite port facilities was not included. These improvements, however, are essential to the enterprise, and their cost must be paid by the taxpayers of Canada and the United States. They are an integral part of the undertaking.

The Brookings Institution's report consequently embraces expenditure for these improvements in its total, thus making the inclusive cost assignable to navigation, \$600,000,000, with an additional outlay of \$400,000,000 for power development, which brings the cost up to \$1,000,000,000. That is so wide a disparity, compared with the estimates of the War Department, as to justify concern as to the accuracy of the latter. And not only is there this large variation in estimates of cost, but there is similar difference of views on estimated savings in transportation and in the amount of prospective traffic. Views diverge on the extent to which sea-going vessels will operate through the waterway and on other factors which must be given weight in determining the value of the project to shipping.

Taking the estimate of saving on shipment of grain, the Brookings Institution finds that the taxpayers would be contributing \$2 a ton in order that the shipper might save 83 cents a ton. And this is aside from the question of the possibly disastrous effects of the waterway upon the railroads of the East, which the administration is enough concerned about to suggest that they should be permitted to charge rates that would enable them to establish sinking funds with which to pay off their bonds. Nor does it touch the competition the canal would set in motion with the Atlantic seaboard ports, disturbing the business structure upon which they have been built up. All in all, there is far too much involved in this enterprise for action to be taken on the Shipstead theory that the devilish interests are the whole opposition. There needs to be examination of facts.

MILWAUKEE, WIS., January 16, 1934.

The Honorable DAVID I. WALSH,
The United States Senate,

Washington, D.C.

MY DEAR SENATOR: I am writing you in connection with the St. Lawrence waterway. This project has been tremendously popular in most of the Middle Western States bordering on the Great Lakes and those outlying States from or to which products might be shipped via this route, and it has been sold to the people of this large territory on the theory that it will produce immense savings in cost of transportation of agricultural products, principally grain. Many wild guesses have been made of the savings which could be accomplished, all of which have been grossly exaggerated, and none of which apparently have been taken into consideration the tremendous changes which have taken place in the past 10 or 15 years in the amount of export grain that is likely to move, and in the improved facilities and lower cost of transportation. No student of the situation as it now exists can possibly set up estimates in respect of grain that will

come anywhere near saving in cost of transportation the amount which it will cost to carry the investment which it is now proposed to make in this project.

On page 967 of the hearings before a subcommittee of the Committee on Foreign Relations of the United States Senate, Seventy-second Congress, part 2, will be found a statement which I forwarded to the subcommittee giving certain facts in connection with transportation of grain. My statements were purposely most conservative, as I allowed for a possible movement of 50 million bushels of United States grain via the St. Lawrence route, and estimated the annual carrying charge on the navigation project at not less than \$15,000,000 per annum (Moulton, who is undoubtedly the best authority in the United States today, estimated it at \$40,000,000 per annum).

The record of the season of navigation of 1933 is now available, and it discloses that not one single bushel of United States grain moved via the St. Lawrence route, although during the entire season vessel freight was abundant and very cheap. During this season a normal movement of Canadian grain took place at an average rate for the season of approximately 4 cents per bushel from Fort William to Montreal. I think it is a reasonable estimate that the Canadian movement provided for less than 25 percent of the Canadian vessel tonnage available for this route.

In my statement of December 12, 1932, I hinted at the efforts of our Government to reduce production to a domestic basis, and since that time, as you know, many millions of dollars have been collected in processing taxes from our citizens and paid to producers in an effort to curtail production and reduce surpluses of agricultural commodities, including wheat, and during this time our United States wheat prices have averaged from 20 cents to 30 cents per bushel higher than Canadian or Argentine or those countries competing for European or oriental wheat business. We may, therefore, quite definitely relinquish the idea that United States grain for export will provide tonnage for the St. Lawrence seaway, and even if it did in considerable amounts, there is not the slightest prospect of any saving to the United States producer in transportation costs.

Grain has been relied upon to produce approximately 60 percent of the traffic on all of the estimates that have so far been prepared of a possible movement via the St. Lawrence seaway, but the trend in the movement of grain is so definitely established, and the possibilities of savings on other commodities so extremely unlikely, that it would seem impossible for anybody except the most visionary person to anticipate within the next decade any volume of traffic that would represent a saving amounting to anywhere near the annual cost of carrying the investment which it is proposed to make, and it would furthermore seem that the present state of our Government's finances would make it imperative that no project of this magnitude be undertaken unless beyond any question of a doubt it could produce savings, with a safe margin for every contingency, that would justify the investment.

A 27-foot channel, if it is constructed, will just be a foot in the door. It will admit only a very limited use of the seaway by ocean vessels (Moulton estimates only 13 percent of the tonnage now operating on regular schedules out of Montreal) and by the time it is completed there will be a great campaign for a deeper channel and another large expenditure of money.

Public sentiment in those States directly concerned in this matter is still so influenced by data prepared when conditions were vastly different than they are now that it is almost considered heresy for those who live in this area to oppose it. I live, and am established in business, and the facilities which I control, and the nature of my business are such that if the proposition had any merit so far as grain is concerned, that would help the producer, my business certainly would increase; but I am so convinced of the unsoundness of this project that I am writing to you in the hope that you will be able to fairly and impartially decide this question purely on its merits, and I am convinced that if it is so considered that your position will be against any such undertaking at this time.

Sincerely yours,

H. M. STRATTON.

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement on the St. Lawrence waterway project by Mr. D. B. Robertson, for the Railway Labor Executives' Association, before the Senate Committee on Foreign Relations.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY D. B. ROBERTSON FOR THE RAILWAY LABOR EXECUTIVES' ASSOCIATION BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE ON THE ST. LAWRENCE WATERWAY PROJECT

I appear here as a representative of the Railway Labor Executives' Association, which is composed of the chief executives of the 21 standard railway labor organizations. The statement which I shall make represents the views of railway labor with respect to the pending St. Lawrence Waterway Treaty now under consideration by this committee.

First I desire to read to the committee a short statement prepared by a special committee of the association and approved by the association at a meeting held on November 16:

"Members, Railway Labor Executives' Association.

"SIRS AND BROTHERS: Having been appointed as a committee to investigate and report upon the subject of the St. Lawrence Waterway Treaty now under investigation by the Senate Committee on Foreign Relations, we beg to submit the following for consideration:

"For some time past the Railway Labor Executives' Association has shown considerable interest in the subject of unfair competition in the transportation industry, which included motor transportation service, pipe lines, and waterways. At a meeting of the association held at Washington, D.C., June 3-4, 1932, the following action was taken with regard to expenditure of public funds for the purpose of improving waterways for transportation purposes:

"Moved and seconded that this association go on record as opposed to the expenditure of public funds for the purpose of deepening waterways for transportation purposes, as ample facilities now exist to handle all the transportation and more than the Nation requires, and copy of this resolution be furnished William Green, president American Federation of Labor. Carried."

"It was understood that the above action was not intended to interfere with the improvement of waterways in the interest of flood control, and in transmitting copy thereof to President Green of the American Federation of Labor, this point was made clear. The action of the association was acknowledged by President Green.

"In view of the policy already declared by the association, together with the fact that, in our opinion, present economic conditions and the status of the transportation industry of the Nation neither requires nor justifies any expenditure of public funds to create additional water transportation facilities, we recommend that for reasons, some of which are enumerated below, this association authorize the chairman, in conjunction with the executive committee, to arrange for an early appearance before the Senate Committee on Foreign Relations for the purpose of opposing, on behalf of this association and the railway employees represented thereby, the adoption of the St. Lawrence Waterway Treaty and the construction of the St. Lawrence shipway:

"First. Is not justified by economic necessity.

"Second. Would adversely affect labor conditions in the railroad industry in the United States and Canada and would greatly increase unemployment.

"Third. The present transportation plant and personnel is ample to handle the present and anticipated needs of the country for many years to come.

"Fourth. Any alleged necessity for waterway transportation is illusory. The net results of waterway transportation projects thus far have been to increase the cost of Government and taxation upon the people.

"Fifth. The construction of a St. Lawrence shipway would doubtless involve the United States and Canada in many international complications.

"Sixth. The net result to railway employees of the construction of a St. Lawrence shipway would be to tax railway employees in order to subsidize an enterprise that would eventually eliminate them from railroad service.

"Seventh. The construction of a St. Lawrence shipway would contribute toward the breaking down of our present rail transportation system and would nullify the efforts already made by the United States Government to protect our rail transportation system and the millions of its outstanding securities now held by insurance companies, financial institutions, and individual citizens.

"Respectfully submitted.

"D. B. ROBERTSON,

"C. J. MCGLOGAN,

"H. J. CHAPMAN."

Although this statement expresses the position of railway labor, the following additional remarks which might serve to clarify that position are respectfully submitted:

Testimony already presented to this committee, which has been given Nation-wide publicity, has in many respects stated the views of railway labor. It has been said, for example, that there exists no economic necessity for the waterway since the existing transportation facilities are far in excess of current needs and will be ample for many years to come. To this statement we fully subscribe. Car shortages are now a thing of the past, and are quite unlikely to recur at any time in the future. Surplus railway cars available for immediate use at the present time number approximately half a million, while about a quarter of a million additional cars, temporarily out of service, could quickly be made serviceable. At no time since the brief hectic period following the war has the demand for cars exceeded the available supply. Motive power likewise is and has for the past decade been more than adequate to care for the traffic offered for movement. In short, there is not now and there has not been since agitation for this St. Lawrence waterway started, any shortage in the facilities of the railroads to handle any and all the traffic to be moved.

At this point it seems appropriate to call attention to the fact that any original justification for the construction of a St. Lawrence deep waterway from a transportation standpoint was based on conditions that no longer exist. The International Joint Commission appointed by the Governments of the United States and Canada, which first studied and recommended the project in its report in 1921, stated that it would be valuable for the purpose of supplementing our inadequate railway facilities. At that time the railroads of the country had just been returned

to private ownership and control after their administration by the Government during the war. They were temporarily in need of large capital commitments for improving roadbed and structures and for additional facilities of all kinds. This condition passed, however, within a few years.

Let me mention another fact which, from our point of view, is vital to railway employees. Every ton of freight diverted from the railroads has its effect upon the job of some employee, and continued diversions result in the loss of jobs. In the United States and Canada at present there are many hundreds of thousands of unemployed railway workers, men trained by years of experience in the field of transportation. Most of these are idle because of the prevailing depression it is true, but many are without jobs because of the loss of traffic to highways and waterways which are enjoying substantial subsidies from the Government. Just how many railroad men have lost their jobs because of the waterway-development program of the Federal Government it would be impossible to say, because of other conditions which also exist, but it can be said without fear of successful contradiction that the number is very large.

Railway employees do not wish to be understood as objecting to anything that constitutes a forward step or which contributes to the public generally. They have submitted without protest in the past to technological improvements in the science of railroading which resulted in a reduced need for man labor. For example, 1,167,000 employees in 1931 moved about the same ton-miles of freight as it took the equivalent of over 2,000,000 men to move in 1913. If railway employees thought that the creation of waterways at public expense made available a better transportation service or a less costly one, all items considered, they would not and could not with good grace complain. But they are convinced that waterway service is not better than rail service, but is far inferior. They are also convinced that when all costs are taken into consideration, this inferior service is more expensive than railroad service.

A curious anomaly enters this waterway picture which is often overlooked. I refer to the fact that railway employees who are fortunate enough to have jobs are being taxed for the facilities which are striking at the foundations of their livelihood. Every railway employee earning more than the amount exempted from income tax pays into the Federal Government a sum of money each year. In addition, he pays his share of the other Federal taxes which others are obliged to pay. A part of the money he contributes is used by the Government to develop and operate waterways. Many proponents of public developments dismiss the tax argument with the suggestion that most of those who benefit are not in the income-paying class, and that the burden of expense falls upon a relatively small group possessed of wealth. In other words, that it is an indirect way of redistributing wealth so that all the people may derive some of its benefits. We do not deny the force of this as a general proposition, nor that the theory under ordinary circumstances works out that way, although we all participate indirectly in Federal taxation, through added living costs.

Here, however, is a different situation. Railway employees, as a group, pay substantial Federal taxes. A part of the taxes they pay are used by the Federal Government to subsidize a competing agency which, because of this subsidy, can transport goods for less than the railroads, and can consequently divert traffic from them. Railway employees depend for their jobs upon the traffic handled by the railroads, and reductions in traffic volume mean reductions in forces or in rates of pay, or both. Thus the Government indirectly is using the taxes paid by railway employees to destroy them, which is a most unconscionable situation.

In addition to the taxes paid by employees, there are the taxes paid by the railway companies themselves and by the institutions and individuals who own their securities. These taxes likewise are being directed by the Government to a use which is detrimental to the railroads. They are not being put to an economical use, for there is yet to be produced any proof that waterway transportation is better or cheaper than rail transportation, when all elements are weighed in the balance.

Now comes forward a proposal for further jeopardizing the railroads, their employees, and their investors. It is proposed by the treaty here under consideration to take more of the moneys paid by the taxpayers into the Federal Treasury and apply them toward a new competitor for the railroads; a new method for diverting traffic from the rails and cutting more employees from the railroad pay rolls; a method out of which they create no source of Federal income, but, on the contrary, further impair the ability of the American railroads to serve as a source of Federal taxation.

Testimony already in this committee's record indicates that, in spite of the fact that the proposed new St. Lawrence waterway would divert traffic from the rails, it would not result in any appreciable saving to shippers, particularly to shippers of agricultural commodities. It has been stated here that the rate on wheat now in effect via existing water routes from upper lake ports to Liverpool is 8 cents a bushel. The State Department in July of this year referred to an estimate made in 1926 that the waterway would result in a saving of 6 cents a bushel in transportation costs. At present the Montreal to Liverpool rate is 3½ cents a bushel. Obviously ocean carriers are not going to come inland as far as upper lake ports for wheat cargoes and charge less for the complete service than they now charge from the port of Montreal. I do not appear here as a rate expert equipped to discuss freight rates but merely wish to urge the

committee to scrutinize closely the claims made by the proponents of this waterway.

Permit me to state that the railway labor organizations view with growing impatience the expeditions of the Federal Government into the field of transportation. They fail to see any economic benefit to anyone except some favored shippers from these expeditions and see clearly a great detriment in them to themselves and to the taxpaying public generally. If it is the purpose of the Government to make seaports of the present lake ports, what is to prevent the cities up and down the Mississippi and other inland rivers later from demanding similar treatment? It seems to railway labor that until it is more clearly shown that water transportation is superior to rail transportation, both in quality and price, the Government should proceed slowly in sinking vast sums of public funds into the rivers of this country.

I have said that the benefits from waterways flow principally to a selected few who can take advantage of the service. On the Ohio River it is estimated that 95 percent of the traffic consists of the property of large corporations owning and operating their own facilities. On the New York Barge Canal a large part of the traffic consists of the products of large motor, oil, and sugar corporations some of whom own their own barge equipment. It is interesting to note in this connection that when one purchases a Detroit-made automobile in New York City he must pay f.o.b. Detroit prices plus the rail freight rate to New York. The fact that the automobile might have moved into New York via water in the manufacturer's own vessel and by public right of way, without toll, does not result in any benefit to the New York purchaser. The manufacturer pockets the difference between the railroad rate and what it cost him to transport the car himself. I understand this is also true with respect to other commodities transported on the New York Canal and other waterways.

The railway labor organizations urge this committee to consider carefully the results which might flow from the ratification of this treaty and the development of the proposed waterway. We hope the committee will give thought to the effect this canal would have on the employees of the roads affected. The hundreds of thousands of railway employees who have lost their jobs in the past 2 years, partly because of the subsidies given railroad competitors by the Government, and the million who still have their jobs—though some are on a part-time basis—will not look with favor upon a project which not only increases the costs of Government but will delay, if not entirely prevent, the return to service of many who are unemployed, and will undermine the jobs of those who are fortunate enough to be employed at the present time.

We respectfully urge that all consideration of the project should be postponed, at least until the existing depression is over and normal economic conditions reestablished. Conditions of today are so uncertain that the matter cannot be adequately or soundly considered until they are past. Otherwise, the discussion of the contemplated project under the unprecedented conditions of the present depression is likely to assume the form of hypothetical suppositions. Even with the return of the country to normal activities, no proper consideration can, in our opinion, be given to the St. Lawrence deep waterway until our own domestic transportation problem is solved. We now have an excess of uncoordinated facilities, both of steam railways, truck and bus lines, and waterways, which urgently require uniform regulation and constructive treatment.

The present railroad situation is well known. The Government is attempting to assist the carriers through loans made by the Reconstruction Finance Corporation; the regulation of motor transportation is receiving the earnest consideration of various governmental and private agencies; the railroad employees last February voluntarily accepted a reduction in wages in order to assist the railroads to carry on during the depression.

The Federal Government has already advanced almost one half a billion dollars of its own funds to maintain the solvency and insure the continued operation of the railroads. More than 700,000 of the operating staff of the railways are now without employment and those still employed are working part time. While coping with these deplorable conditions we surely cannot properly consider the authorization of another huge waterway project, which will indisputably divert traffic from railways, render more difficult the maintenance of their financial solvency, and increase the volume of unemployment among the working forces. We believe that any proposal which tends to increase existing transportation facilities should be most carefully considered and approval withheld pending the clarification and settlement of the entire transportation problem. We feel that the first duty of the country is to rehabilitate and put on an efficient and profitable operating basis our existing transportation facilities before adding new ones. Unless this is done, the Government, in the case of the steam railroads, cannot hope to obtain payment of amounts now loaned to them and the railroads will doubtless undertake to further curtail employment in an effort to meet fixed charges and avoid receivership.

At this time to approve of the St. Lawrence Waterway Treaty would involve the expenditure of large sums of money and the building up of additional transportation facilities which, in the opinion of railway employees, would be most unwise and without economic justification. It is our opinion that instead of adding any new complications to the present transportation problems we should undertake to solve those now confronting us.

DECEMBER 2, 1932.

Mr. DAVIS. Mr. President, numerous statements have been made on this floor indicating the profit which will accrue to American labor in the future as a result of the St. Lawrence waterway construction program. However, Mr. Robertson, a profound student of transportation, speaking for 21 railway labor organizations, declares that—

Present economic conditions and the status of the transportation industry of the Nation neither require nor justify any expenditure of public funds to create additional water transportation facilities.

The Senate has considered a great variety of arguments for and against the waterway, such as statements concerning needed fortifications, the possible internationalization of Lake Michigan, the formation of over 2,000 miles of new seacoast and the development of 30 great port cities, the specifications of the treaty of 1909, the engineering problems, the preparatory costs, possible savings in transportation costs, the potential uses of the canal, the diversion of waters from Georgian Bay into the St. Lawrence, the question of hydroelectric power, and many others.

Now that we have had an opportunity to think of many of the specific details relating to the waterway we may be in a position to consider the project in relation to our present national emergency. There are, without doubt, certain attractive features in this proposal. It may very well be that sometime in the future conditions will be ripe for this development. At the present time, however, I am convinced that the project does not meet the needs of our Nation.

In charting national policy we must always look to the future. This is in accord with the current report of Joseph B. Eastman, Federal Coordinator of Transportation. Our transportation problem involves our lake and ocean carriers, our automobile and bus facilities, and our airways, as well as our railroads. The competitive interests of all of these must receive profound consideration. The railroad problem is but one of numerous transportation issues, but after 8 months of study by a large group of transportation specialists, working with the sanction of the administration, the Eastman report on railroad coordination has no immediate suggestion for action. Will it be wise for the Senate to take action on this waterway project at this session when there is no general agreement, even among specialists, as to the general outlines of our future transportation program? Will it be expedient for the Senate to ratify a treaty which will bind us to a new transportation policy for our entire Nation before the general plan involving all our transportation facilities shall have received extended study and general acceptance by those qualified to give judgment?

The new waterway project is essentially a plan to increase our transportation facilities. Other considerations are involved, but the fundamental issue concerns distribution outlets. At the present time there is no conclusive evidence which indicates that we now need more national transportation. If in the future this need should become apparent, the problem can then be considered. At the present time, with an airways program incomplete, with bus travel problems unsolved in relation to other carriers, and with railroad investments suffering and railroad employees distracted with the thought of a possible unemployment crisis, we have enough to think about without burdening ourselves with problems which do not demand an immediate answer.

On January 4 President Roosevelt, in his Budget message, indicated that it would be necessary to borrow \$10,000,000,000 in the next 6 months and that our national debt will extend up to almost \$32,000,000,000 in 1935. Since the Budget message was transmitted to the Senate additional appropriations have been requested. One of these is for the St. Lawrence waterway. Authorities differ as to its cost. Estimates vary all the way from two hundred and fifty to one thousand million dollars. The immediate problem of our Government is to find revenue with which to discharge the obligations which have already been accepted. Loans will have to be secured from loyal citizens of our country. Bond issues will have to be floated successfully. As a matter of expediency, is it wise for our Government to continue to

assume new financial responsibilities over and above the present requirements of a heavy Budget before proper provision has been made to provide for our present commitments? Is it not time to take stock of ourselves and of our ability to pay? It is no partisan consideration which leads me to ask this question, but, rather, thought for our national welfare.

With the war debts in default, with the national income cut in half, with a national debt incomparably greater than ever before, and with a need to borrow \$10,000,000,000 in the next 6 months, is it economically sound for the Senate to sanction a treaty which calls for additional appropriations?

Sound credit and stable government are today the first requirements for business stability and national recovery. With 10,000,000 able-bodied and willing workers still unemployed, with relief measures uncertain, with the specter of unemployment staring railroad labor in the face, this seems to be an inopportune time to press any unnecessary transportation project upon the American people.

The National Recovery Act was passed for the purpose of relieving industry from the evils of cutthroat competition, and various codes have been enacted to promote that end. This seemed necessary because of the huge surpluses which exist on every hand. Our depression has frequently been referred to as a "famine of plenty." We weep because we have too much of everything. We should remember that we not only have surpluses of oil, coal, cotton, wheat, and other commodities, but, according to unimpeachable authority, we have at the present time an excess of transportation facilities. As there are now more transportation facilities than there is traffic, the St. Lawrence waterway would be just another unfair method of competition, costly to taxpayers, and a menace to railway labor. It is preposterous to put our Nation on a restricted-production program, which means that we shall have less to transport in every way, and at the same time ask the Nation to finance a new and unnecessary water-transport system.

Ours is a depression because of plenty. We weep because our barns are bursting with unused grain and our banks are filled with money which no one can borrow. We weep because we have so much cotton that we have to turn under every third row; so many hogs that we slaughter our brood sows by the million; so much corn that farmers have been compelled to burn it for fuel; so much coal that miners are lucky if they get 2 days' work in 7; and so much oil that the major part of it runs away from us and is wasted. Surrounded by too much of everything, including transportation, we now consider the possibility of stretching the national credit to build an unneeded waterway. If we do this thing, we shall have cause to weep.

Mr. LA FOLLETTE. Mr. President, I attempted to obtain the floor at the time the Senator from New York concluded his speech. At this late hour I would not attempt to make a full answer to the statements which the Senator made; but there are several which I do not wish to go unchallenged on the record today.

The Senator started his speech by reviving the long-since and well-buried all-American canal project. If I understood him correctly, he stated that he thought that it would cost about \$150,000,000 to deepen the all-American canal sufficiently to permit vessels of 25-foot draft to pass from the Hudson River to the Great Lakes.

I hold in my hand Document No. 7 of the Committee on Rivers and Harbors of the House of Representatives for the Sixty-ninth Congress, second session, and this document contains a letter of transmittal from the then Chief of Engineers, General Jadwin. I should like to call attention to the table on pages 2 and 3 of this document, which makes some comparison between the St. Lawrence route and the all-American route, but in particular I wish to call attention to the fact that the estimated cost, as carried in this document, for the all-American canal, to which the Senator has just referred, is \$506,000,000.

I also wish to point out that although the Senator from New York has indicated he is very anxious to have this water power developed, that he has been advocating here

this afternoon an alternative route to that of the Great Lakes-St. Lawrence waterway, which will cost \$506,000,000 and not \$150,000,000, as he indicated, and which will not result in the development of a single kilowatt-hour of electricity if it should be built.

Another point I wish to direct the attention of the Senate to is the question of fog, of which the Senator from New York made much in his speech. It seems rather surprising to me that the Senator, who lives in the city of New York, if I remember correctly, should raise a question concerning fog-hours as an argument against the St. Lawrence waterway. I wish to point out that fog-hours in this country along the Atlantic seaboard begin with 198 fog-hours annually at Savannah; 229 fog-hours per year at Charleston; 264 fog-hours per year at New Orleans; 373 fog-hours per year at Baltimore; 378 fog-hours per year at Norfolk; whereas at Montreal, which is now at the end of deep-water navigation on the St. Lawrence River, the fog-hours are 100 per year. At Point Peter, opposite Kingston, they are 212 fog-hours per year; at Toronto they are 440 fog-hours per year; whereas in the harbor of New York the fog-hours, on the average, are 1,064 per year.

In one breath the Senator maintains that because of the number of fog-hours per year it is impossible to navigate successfully the St. Lawrence waterway, and in another section of his speech he is apprehensive that if the waterway is opened it will result in making Montreal the greatest port on the American continent. The Senator knows, as does every Senator who has studied the geography of this situation, that every ton of cargo that enters the harbor of Montreal must pass down the St. Lawrence River and pass Belle Isle. Concerning his one trip down this route the Senator very graphically described the fog, but I assume he knows that his beloved New York has 1,064 fog-hours per year.

The Senator also reiterates the statements which have been made again and again by the opponents of this treaty. In one breath they contend that the waterway will not produce any traffic and in the next breath they contend that it will work great hardship upon the railway transportation systems of this country. In one breath the Senator says that there will be no wheat shipped from the great Northwest over the St. Lawrence waterway if it is opened. In the next breath he says that the shipment of all of this grain which will flow down the waterway will work a great detriment to our American railroads.

The Senator evidently has ignored, as have so many Senators who are opposing this treaty, the official summary of information which was transmitted by the President of the United States with his message to the Senate for consideration in connection with this project. This information, as every Senator knows, was gathered by four executive departments of this Government. So far as I know, not a single statement contained in those reports, nor in those summaries, has been successfully challenged by any person.

I desire to quote briefly from page 6 of Senate Document No. 110:

The completion of the Great Lakes-St. Lawrence seaway will enable 70 percent of the world's ocean-going freight cargo tonnage to reach the Great Lakes and St. Lawrence River ports which serve the important industrial, agricultural, and commercial area described above. The potential export and import tonnage which will move via the seaway, based on 1929 conditions, is conservatively estimated in a special study prepared by the War Department at 13,000,000 tons, and the savings in transportation costs, as compared with present available routes, at approximately \$79,000,000.

These savings and the basis for the figures arrived at are shown in detail in the report of the War Department.

The report referred to is now being printed.

On the basis indicated therein, it is shown that in 1929 there might have been moved over the proposed seaway a total of exports of 7,741,500 tons with a possible saving of \$44,810,923, and an import movement of 5,742,333 tons with a possible saving of \$34,082,207.

This saving of over \$70,000,000 a year affecting both the producer and the consumer is based entirely upon foreign commerce. As

stated above, our water-borne foreign commerce is only one fifth of the total water-borne commerce of the United States.

Mr. President, the Senator from New York continues to reiterate the opinion that the completion of the St. Lawrence seaway will injure the railroads of this country, which was also indicated in the brief remarks of the Senator from Pennsylvania, who also shares the apprehension that it will injure the railroad employees of this country.

I refer again to this official summary of information transmitted to the Senate by the President of the United States, after a most exhaustive survey by the departments of government which are in possession of the information necessary to formulate these conclusions, and I desire to read from page 8 as follows:

Interstate Commerce Commission figures show that railroad freight ton-miles increased from an average of 167,712,000,000 in the 5 years, 1901-05 to an average of 430,378,000,000 for the 5 years, 1926-30, and that, with the exception of the abnormal war period, the rate of increase has been remarkably steady, with no sign of diminution. This is significant in view of the fact that recent years have been characterized by increasing competition on waterways and highways. The trend would indicate a demand for about 650,000,000,000 ton-miles of freight traffic in 1950, an increase of 200,000,000,000 ton-miles as compared with the 1929 peak.

Not satisfied with having worked out this prediction upon the basis of the average annual increase, the Department undertook a different calculation based on the increase in population and the increase in per capita ton-miles of traffic. They concluded:

A similar analysis based on population growth and increase in per capita ton-miles of traffic suggests approximately the same conclusion and warrants the conviction that by 1950 the increase in traffic offered to the country's transportation agencies will be at least 30 times the probable traffic via the seaway. If the comparison is limited to the railroads paralleling the proposed seaway, it appears that increased demands for traffic will exceed the potential traffic of the seaway at least 10 times over.

Mr. President, the same arguments which have been made against the opening of this seaway could have been made and, I have no doubt, were made against the opening of the Panama Canal. Certainly the Panama Canal offers a remarkable example and demonstration of what competition between water-borne and rail traffic may produce, insofar as it affects the railroads of the country. In 1915, when the canal was opened, it had a traffic of approximately 4,888,000 tons. In 1929 it had a traffic of approximately 30,000,000 tons. It was during this period, and I hope Senators will bear this in mind, that the western roads—which are more directly in competition with the Panama Canal and water-borne commerce that comes through it than others—experienced the greatest increase in their business and in their earnings of any period in their history.

I want to point out that the western railroads during this period had the all-time peak of their earnings, being \$336,000,000 in 1929, which was 48 percent more than they had ever earned as net in any period prior to the opening of the Panama Canal.

Of course this project, which is to be permanent and for all time, cannot be judged by this year of depression, and it goes without saying that we are justified in taking averages and normal periods in contemplation of a project which will be of service for all time to come.

Therefore, after most careful consideration of the project from the point of view of the effect upon the railroads and upon railroad employees, I am convinced that the building of the waterway will not throw a single railroad employee out of work and will not injure a single railroad in the United States. On the contrary, I am confident that this waterway, like the Panama Canal, will carry the heavy, bulky commodities which are low-revenue producers for the railroads, but which at the same time will stimulate and increase the traffic for railroads of the higher-revenue type of freight.

The Senator from New York expresses an opinion as to the attitude which my father would take upon this project if he were alive and in this body today. Since his death

I have never presumed to speak for my father upon any question upon which he had not already taken a public position. But I think it may be of some interest to the Senator from New York to know that the first time the St. Lawrence seaway project was ever endorsed in a political platform in this country was in 1920, when it was endorsed by the Progressives of Wisconsin. It was in the platform upon which my father was elected to the United States Senate in 1922. It was in the platform upon which he became an independent candidate for President in 1924, and upon that platform the standard labor organizations of the country supported my father for President. No person in this country, prior to his death, had ever given more time or consideration to this project than had my father, and he was one of its most ardent advocates.

The Senator from New York also mentions the Seamen's Act. The Senator's statement indicates that he does not understand the Seamen's Act if he has any apprehension that the opening of the seaway will operate in any manner against American sailors upon American ships. One of the principal sections of the Seamen's Act was the provision which did away with the right of foreign vessels to keep their crews upon board in a safe harbor of the United States. This has resulted in an equalization of wages which has put American shipping on a more competitive basis with foreign shipping than any other step which has been taken by this country.

In the second place I want to point out that 80 percent of the water-borne commerce of the United States is domestic commerce. If this seaway is opened we are justified in assuming that a great percentage, at least 80 percent, of commerce upon the seaway will be coastwise commerce open alone to ships of American registry and flying the American flag. I likewise believe we are justified in assuming that this commerce will benefit ports along the Atlantic seaboard, the Gulf, and the Pacific.

Mr. President, the Senator from New York repeats his demand made in the speech which he delivered last spring for more economic surveys of this project. This project has had more study, has had more official reports rendered upon it, than any other project which has ever been contemplated or under consideration by any government in the world. Every one of the studies and every one of the reports from official sources has been favorable for the completion of the project. But now the Senator from New York refuses to study the economic surveys which have been prepared at the direction of the President of the United States and transmitted to the Senate and printed so that they might be readily accessible to Senators who care to give the treaty a fair consideration.

Of what avail is it to have these studies made if Senators like the Senator from New York refuse even to give them a reading before they take the floor to oppose this treaty?

Here is a recent survey by four departments of the Government, officially made at the direction of the President of the United States. The results of the survey have been transmitted for the consideration of Senators. They completely sustain this project upon every point of attack; and yet the Senator from New York rises in the face of these overwhelming statistical, economic, and engineering data and asks for more.

Mr. President, it seems to me that before Senators impeach the intelligence of the President of the United States in transmitting this message to the Senate with this new material gathered at his direction, they should at least do him the honor of reading this material and giving it their unbiased and impartial consideration.

MOUNT PLEASANT INDIAN SCHOOL, MICHIGAN

As in legislative session,

Mr. VANDENBERG. Mr. President, as in legislative session, and on behalf of the senior Senator from Montana [Mr. WHEELER], who is Chairman of the Indian Affairs Committee, I report back favorably, without amendment, Senate Bill 2152, granting certain property to the State of Michigan for institutional purposes; and I submit a report (No. 202) thereon.

This is a bill to transfer the property of the Mount Pleasant Indian School at Mount Pleasant, Mich., from the Federal Government to the State government. I desire to make a brief statement in connection with it.

This happens to be an emergency matter so far as the State of Michigan is concerned. The Indian school has been closed, and never will be reopened. The few Indians involved have been assimilated into the regular educational system. Therefore, this property is remaining idle. The State of Michigan by legislative act has offered to close it into its own institutional system, and put it to work for the benefit of the people of Michigan. The program has the unanimous support not only of the committee but of the Secretary of the Interior and of the Commissioner of Indian Affairs.

I have spoken to the senior Senator from Arkansas [Mr. ROBINSON], the able majority leader, and to the minority leader, the Senator from Oregon [Mr. McNARY], and there seems to be no objection to the present consideration of the bill. Therefore, as in legislative session, I ask for its present consideration.

The VICE PRESIDENT. Is there objection?

Mr. ROBINSON of Arkansas. I have no objection.

The VICE PRESIDENT. The Chair hears no objection.

The Senate proceeded to consider the bill, which was read, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby granted to the State of Michigan for institutional purposes the property known and designated as the "Mount Pleasant Indian School", located at Mount Pleasant, Mich., such grant to include the land and buildings and such equipment as may be designated by the Secretary of the Interior: *Provided*, That this grant shall be effective at any time prior to July 1, 1934, if before that date, the Governor of the State of Michigan on behalf of the State files an acceptance thereof with the Secretary of the Interior: *Provided further*, That right is reserved by the Secretary of the Interior to retain until July 1, 1934, dormitory and other space needed for the housing and care of Indian pupils now accommodated at said school: *Provided further*, That as a condition precedent to this grant Indians resident within the State of Michigan will be accepted in State institutions on entire equality with persons of other races, and without cost to the Federal Government.

COMMITTEE SERVICE

As in legislative session,

Mr. ROBINSON of Arkansas. Mr. President, as in legislative session, I ask that the Senator from Tennessee [Mr. BACHMAN], the Senator from New Hampshire [Mr. BROWN], and the Senator from Montana [Mr. ERICKSON] be assigned to the Committee on Commerce to fill vacancies on behalf of the majority.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

SENATOR FROM PENNSYLVANIA

As in legislative session,

Mr. ROBINSON of Arkansas. Mr. President, on March 2, 1933, the Governor of Pennsylvania, Mr. Pinchot, addressed to the President of the Senate a letter relative to the certificate of election of the junior Senator from Pennsylvania [Mr. DAVIS]. In the letter he stated:

I am enclosing herewith a separate communication addressed to you and through you to the Senate of the United States. I request that the contents of this separate communication shall not be made public until after a verdict shall have been reached in the case now pending against the said JAMES J. DAVIS in the District Court of New York or until such time as the Senate of the United States shall deem fit and proper for its publication.

Thereupon the following entry was made in the Journal as of Friday, March 3, 1933:

CREDENTIALS OF SENATOR FROM PENNSYLVANIA

The Vice President laid before the Senate the credentials of JAMES J. DAVIS, duly chosen a Senator by the qualified electors of the State of Pennsylvania, for the term beginning March 4, 1933, which were read and ordered to be placed on file.

The Vice President laid before the Senate a communication from the Governor of Pennsylvania enclosing a separate communication to the Senate with a request that its contents be not made public until such time as the Senate may deem fit and proper, which was ordered to be placed on file.

Mr. President, there has been no publication of the contents of the separate communication. It is in the files of

the Senate. The verdict in the case referred to has been returned. I move that the Secretary of the Senate be directed to return the separate communication referred to in the record mentioned to the Governor of Pennsylvania. He will then be at liberty to send an open communication to the Senate or to publish the contents of his letter if he chooses to do so.

The VICE PRESIDENT. Without objection, the order will be entered. The Chair hears no objection.

EXECUTIVE ORDERS RELATING TO VETERANS' REGULATIONS

As in legislative session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, ordered to lie on the table, as follows:

To the Congress of the United States:

Pursuant to the provisions of section 20, title I, of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, I am transmitting herewith certified copies of the following Executive orders which were approved by me on January 19, 1934:

Executive Order No. 6565 (Veterans' Regulations No. 1 (c)).

Executive Order No. 6566 (Veterans' Regulation No. 6 (b)).

Executive Order No. 6567 (Veterans' Regulation No. 9 (b)).

Executive Order No. 6568 (Veterans' Regulation No. 10 (c)).

Executive Order No. 6565 amends Executive Orders No. 6156, June 6, 1933, and No. 6229, July 28, 1933.

Executive Order No. 6566 amends Executive Order No. 6232, July 28, 1933.

Executive Order No. 6567 amends Executive Order No. 6158, June 6, 1933.

Executive Order No. 6568 amends Executive Orders No. 6098, March 31, 1933, and No. 6234, July 28, 1933.

These veterans' regulations were issued in accordance with the terms of title I, Public, No. 2, Seventy-third Congress, "An act to maintain the credit of the United States Government."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 23, 1934.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate several messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. DILL, from the Committee on the Judiciary, reported favorably the nomination of John D. Clifford, Jr., of Maine, to be United States attorney, district of Maine, to succeed Frederick R. Dyer, resigned, which was ordered to be placed on the calendar.

Mr. SMITH, from the Committee on Agriculture and Forestry, reported favorably the nomination of Willis R. Gregg, of New York, to be Chief of the Weather Bureau of the Department of Agriculture, which was ordered to be placed on the calendar.

EXECUTIVE CALENDAR

Mr. ROBINSON of Arkansas. I ask that the Senate proceed to consider the Executive Calendar.

The VICE PRESIDENT. Without objection, the nominations on the calendar will be considered.

INTERSTATE COMMERCE COMMISSION—FEDERAL TRADE COMMISSION

Mr. ROBINSON of Arkansas. I ask that the first two nominations on the calendar—that pertaining to the Interstate Commerce Commission, and that pertaining to the Federal Trade Commission—be passed over for the day.

The VICE PRESIDENT. Is there objection? The Chair hears none.

CUSTOMS SERVICE

The Chief Clerk read the nomination of Ralph W. Wescott to be comptroller of customs, district no. 11, Philadelphia, Pa.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DEPARTMENT OF JUSTICE

The Chief Clerk read the nomination of Joseph B. Keenan, of Ohio, to be Assistant Attorney General.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

PUERTO RICO

The Chief Clerk read the nomination of Blanton Winship, of Georgia, to be Governor of Puerto Rico.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Benjamin J. Horton, of Puerto Rico, to be attorney general of Puerto Rico.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE JUDICIARY

The Chief Clerk read the nomination of George F. Alexander to be district judge, division no. 1, District of Alaska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of J. Earl Major to be United States district judge, southern district of Illinois.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Robert A. Cooper to be United States district judge, district of Puerto Rico.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Anacleto Diaz, of the Philippine Islands, to be associate justice of the Supreme Court of the Philippine Islands.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Leonard S. Goddard, of Tennessee, to be associate justice of the Supreme Court of the Philippine Islands.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John W. Holland to be United States attorney, southern district of Florida.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Lawrence S. Camp to be United States attorney, northern district of Georgia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of J. Saxton Daniel to be United States attorney, southern district of Georgia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Joseph M. Donnelly to be United States attorney, western district of Michigan.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of James H. Baldwin to be United States attorney, district of Montana.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of James O. Carr to be United States attorney, eastern district of North Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Marcus Erwin to be United States attorney, western district of North Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Powless W. Lanier to be United States attorney, district of North Dakota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Emerich B. Freed to be United States attorney, northern district of Ohio.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Francis Canny to be United States attorney, southern district of Ohio.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of William R. Smith, Jr., to be United States attorney, western district of Texas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Thomas Gaffney to be United States marshal, division no. 2, district of Alaska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Adam M. Lewis to be United States marshal, northern district of Florida.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of George A. Meffan to be United States marshal, district of Idaho.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John J. Murphy to be United States marshal, district of Massachusetts.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of William B. Fahy to be United States marshal, eastern district of Missouri.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of William F. Goucher to be United States marshal, district of Rhode Island.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of James R. Wright to be United States marshal, northern district of Texas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Albert A. Sanders to be United States marshal, district of Wyoming.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

Mr. ROBINSON of Arkansas. Mr. President, no. 121 on the Executive Calendar—the nomination of Robert A. Cooper to be United States district judge, District of Puerto Rico—has just been confirmed by the action of the Senate. There is a vacancy. There is necessity for the immediate functioning of that officer, and he is ready to sail at once. I therefore ask unanimous consent that the President be notified of the confirmation of that particular nomination.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

RECESS

Mr. ROBINSON of Arkansas. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The VICE PRESIDENT. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and (at 5 o'clock and 18 minutes p.m.) the Senate, in executive session, took a recess until tomorrow, Wednesday, January 24, 1934, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 23, 1934

UNITED STATES ATTORNEYS

Clinton R. Barry, of Arkansas, to be United States attorney, western district of Arkansas, to succeed William N. Ivie, whose term expired January 20, 1934.

Maurice M. Milligan, of Missouri, to be United States attorney, western district of Missouri, to succeed William L. Vandeventer, whose resignation is effective at the close of January 31, 1934.

J. Howard McGrath, of Rhode Island, to be United States attorney, district of Rhode Island, to succeed Henry M. Boss, Jr., whose term expired December 16, 1933.

MEMBERS OF THE BOARD OF DIRECTORS OF THE RECONSTRUCTION FINANCE CORPORATION

The following-named persons for reappointment as members of the board of directors of the Reconstruction Finance Corporation for terms of 2 years from January 22, 1934:

Harvey C. Couch, of Arkansas.

Jesse H. Jones, of Texas.

Frederic H. Taber, of Massachusetts.

C. B. Merriam, of Kansas.

John J. Blaine, of Wisconsin.

Charles B. Henderson, of California, to be a member of the board of directors of the Reconstruction Finance Corporation for a term of 2 years from January 22, 1934, vice Wilson McCarthy, resigned.

REGISTERS OF THE LAND OFFICE

George J. Love, of Alaska, to be register of the land office at Anchorage, Alaska, vice J. Lindley Green.

Mrs. Mary G. Rose, of Nevada, to be register of the land office at Carson City, Nev., vice Miss Clara M. Crisler, term expired.

Arthur J. Ewing, of Idaho, to be register of the land office at Coeur d'Alene, Idaho, vice William Ashley.

Ira H. Masters, of Idaho, to be register of the land office at Blackfoot, Idaho, vice Ezra P. Monson.

Thomas F. Corbally, of Montana, to be register of the land office at Great Falls, Mont., vice Murdock Donald Nicholson.

William H. Canon, of Oregon, to be register of the land office at Roseburg, Oreg., vice Hamill A. Canaday, term expired.

Fred S. Minier, of South Dakota, to be register of the land office at Pierre, S.Dak., vice Guy Francis Barnes.

George E. Stone, of Washington, to be register of the land office at Spokane, Wash., vice Arthur Wellington Doland.

Lorraine Rollins, of Wyoming, to be register of the land office at Evanston, Wyo., vice Joseph T. Booth, term expired.

Theodore Wanerus, of Wyoming, to be register of the land office at Buffalo, Wyo., vice J. Ira Kirby, term expired.

William G. Johnson, of Wyoming, to be register of the land office at Cheyenne, Wyo., vice Mart I. Christensen, term expired.

POSTMASTERS

ALABAMA

Thomas S. Christian to be postmaster at Alexander City, Ala., in place of W. H. Carlisle, removed.

James G. Brown to be postmaster at Atmore, Ala., in place of J. S. Mathis, resigned.

James F. Green, Jr., to be postmaster at Blue Mountain, Ala. Office became Presidential July 1, 1933.

Charles W. Horn to be postmaster at Brantley, Ala., in place of C. W. Horn. Incumbent's commission expired January 15, 1933.

Francis G. Rowland to be postmaster at Childersburg, Ala., in place of F. A. Brewer, resigned.

Samuel J. Sanders to be postmaster at Fayette, Ala., in place of J. R. Fowler, resigned.

Ernest D. Manning to be postmaster at Florala, Ala., in place of J. W. Snipes, resigned.

Herman Pride to be postmaster at Georgiana, Ala., in place of M. D. Majors, removed.

Lewis A. Easterly to be postmaster at Hayneville, Ala., in place of L. A. Easterly. Incumbent's commission expired December 18, 1933.

Julian J. Chambliss to be postmaster at Hurtsboro, Ala., in place of M. W. Simpson, resigned.

William C. Stearns to be postmaster at Lanett, Ala., in place of H. M. Gay, resigned.

John W. Johnson to be postmaster at Langdale, Ala., in place of J. W. Johnson. Incumbent's commission expired February 28, 1933.

Maurice F. Law to be postmaster at Linden, Ala., in place of H. F. Little, deceased.

William M. Moore to be postmaster at Luverne, Ala., in place of A. R. Byrd, removed.

Benjamin F. Beesley to be postmaster at McKenzie, Ala., in place of B. F. Beesley. Incumbent's commission expired February 23, 1930.

Roy L. Nolen to be postmaster at Montgomery, Ala., in place of R. A. Lifsey, resigned.

Jesse B. Adams to be postmaster at Ozark, Ala., in place of C. M. Cox, deceased.

James R. Moody to be postmaster at Russellville, Ala., in place of G. W. Graves, removed.

Bettie T. Forster to be postmaster at Thomasville, Ala., in place of B. T. Forster. Incumbent's commission expired May 29, 1932.

Ferne W. Rainer to be postmaster at Union Springs, Ala., in place of M. E. Forsyth, resigned.

Roy G. Carpenter to be postmaster at Winfield, Ala., in place of James McDonald, resigned.

Benjamin L. Edmunds to be postmaster at West Blocton, Ala., in place of R. M. Bearden, resigned.

ARKANSAS

Benjamin F. Love to be postmaster at Mountain Home, Ark., in place of I. J. Morris, resigned.

James H. Nobles to be postmaster at Parkdale, Ark., in place of N. P. Atkin, resigned.

George O. Yingling to be postmaster at Searcy, Ark., in place of C. A. Kelley, removed.

Clyde P. Flatt to be postmaster at Siloam Springs, Ark., in place of M. S. Klopfenstein, removed.

Isaac H. Steed to be postmaster at Star City, Ark., in place of M. W. Russell. Incumbent's commission expired May 25, 1932.

Thomas B. Gatling to be postmaster at Bearden, Ark., in place of W. V. Trautman, removed.

Herbert A. Whitley to be postmaster at Bradford, Ark., in place of L. A. Callis. Incumbent's commission expired April 23, 1932.

Mabel Edith Whaley to be postmaster at Sulphur Springs, Ark., in place of Lena Hodges, resigned.

CALIFORNIA

Annie G. Bedford to be postmaster at Anderson, Calif., in place of A. G. Bedford. Incumbent's commission expired February 5, 1933.

Jay K. Battin to be postmaster at Angwin, Calif., in place of J. K. Battin. Incumbent's commission expired December 19, 1932.

Palmer C. Risley to be postmaster at Arrowhead Springs, Calif. Office became presidential July 1, 1933.

Joseph G. Petar to be postmaster at Bolinas, Calif. Office became presidential July 1, 1933.

Blanche E. White to be postmaster at Chatsworth, Calif., in place of B. E. White. Incumbent's commission expired September 30, 1933.

Ida M. Fink to be postmaster at Crows Landing, Calif., in place of I. M. Fink. Incumbent's commission expired December 18, 1933.

James R. Kilkenney to be postmaster at Dixon, Calif., in place of Brock Dickie, deceased.

Bessie L. Rogers to be postmaster at Esparto, Calif., in place of B. L. Rogers. Incumbent's commission expired December 18, 1933.

Bertha V. Eaton to be postmaster at Florin, Calif., in place of B. V. Eaton. Incumbent's commission expired December 10, 1933.

Ada E. Bradley to be postmaster at Custine, Calif., in place of A. E. Bradley. Incumbent's commission expired December 16, 1933.

George J. Nevin to be postmaster at Huntington Park, Calif., in place of W. L. Cleveland, deceased.

Harold V. Tallon to be postmaster at Jackson, Calif., in place of H. V. Tallon. Incumbent's commission expired November 20, 1933.

William H. Rapp to be postmaster at Loyalton, Calif., in place of W. H. Rapp. Incumbent's commission expired December 16, 1933.

Susie K. Smith to be postmaster at Mecca, Calif., in place of S. K. Smith. Incumbent's commission expired October 10, 1933.

Alva A. Fields to be postmaster at Modesto, Calif., in place of D. W. Morris. Incumbent's commission expired December 18, 1933.

James H. Pearce to be postmaster at Oilfields, Calif. Office became presidential July 1, 1933.

Genevieve Frahm to be postmaster at Palmdale, Calif., in place of Genevieve Frahm. Incumbent's commission expired December 18, 1933.

Josephine Purcell to be postmaster at Represa, Calif., in place of Josephine Purcell. Incumbent's commission expired December 18, 1933.

Grace E. Patterson to be postmaster at Samoa, Calif., in place of G. E. Patterson. Incumbent's commission expired December 19, 1932.

Roy J. Summers to be postmaster at San Simeon, Calif. Office became presidential July 1, 1932.

E. Louise Holmquist to be postmaster at Tarzana, Calif. Office became presidential July 1, 1933.

Richard M. Wood to be postmaster at Thermal, Calif., in place of W. P. Rouse, resigned.

Hazel Hooker to be postmaster at Waterman, Calif., in place of Hazel Hooker. Incumbent's commission expired October 31, 1933.

Edna M. Sheridan to be postmaster at Monte Rio, Calif., in place of E. M. Sheridan. Incumbent's commission expired February 12, 1933.

Charles A. Graf to be postmaster at Winters, Calif., in place of O. A. Woods, removed.

COLORADO

William B. Sutley to be postmaster at Center, Colo., in place of J. M. Deitrich, resigned.

Julio C. Averill to be postmaster at Cragnor, Colo., in place of G. H. Felton. Incumbent's commission expired December 10, 1932.

Joseph B. Sella to be postmaster at Estes Park, Colo., in place of B. J. Wright. Incumbent's commission expired December 14, 1932.

Michael J. Brennan to be postmaster at Erie, Colo., in place of W. B. Edwards. Incumbent's commission expired February 25, 1933.

Arthur J. Elmgreen to be postmaster at Evergreen, Colo., in place of N. M. Mickey. Incumbent's commission expired December 13, 1932.

Robert E. McCunniff to be postmaster at La Jara, Colo., in place of I. B. Richardson, resigned.

Grace M. Crouse to be postmaster at La Veta, Colo., in place of C. C. Coleman, removed.

Frank Brady to be postmaster at Manassa, Colo., in place of E. C. Van Fradenburg, resigned.

Edna A. Kennedy to be postmaster at Peetz, Colo., in place of F. E. Arnett. Incumbent's commission expired December 13, 1932.

Grace E. O'Neill to be postmaster at Platteville, Colo., in place of Siegfried Salomon, deceased.

Lulu C. Marold to be postmaster at Saguache, Colo., in place of Daniel Vigil, deceased.

Matthew W. Huber to be postmaster at Victor, Colo., in place of H. G. Moore, deceased.

James G. Evans to be postmaster at Wray, Colo., in place of V. V. Vining. Office became Presidential January 9, 1933.
Roy Staley to be postmaster at Arvada, Colo., in place of R. L. Newton, deceased.

Thomas H. Hargreaves to be postmaster at Holyoke, Colo., in place of R. L. Anderson. Incumbent's commission expired June 19, 1933.

William B. Giacomini to be postmaster at Sterling, Colo., in place of C. J. Funk, resigned.

Ben B. Beshoar to be postmaster at Trinidad, Colo., in place of J. S. Grisham. Incumbent's commission expired December 18, 1933.

CONNECTICUT

William S. Scranton to be postmaster at East River, Conn. Office became Presidential July 1, 1933.

Charles E. Gray to be postmaster at North Stonington, Conn., in place of C. E. Gray. Incumbent's commission expired November 20, 1933.

DELAWARE

Inga K. Tubbs to be postmaster at Selbyville, Del., in place of L. R. Hill, removed.

FLORIDA

Fred H. Gibbons to be postmaster at Archer, Fla., in place of F. H. Gibbons. Incumbent's commission expired January 9, 1934.

Jefferson Gaines to be postmaster at Boca Grande, Fla., in place of Jefferson Gaines. Incumbent's commission expired October 31, 1933.

Elmer N. Burnett to be postmaster at Brewster, Fla., in place of Benjamin Burnett, deceased.

Charles A. Miller to be postmaster at Crystal River, Fla., in place of C. A. Miller. Incumbent's commission expired January 9, 1934.

Edward L. Powe to be postmaster at De Land, Fla., in place of M. C. Douglas, resigned.

Hermira C. Hammers to be postmaster at Fort Barrancas, Fla. Office became Presidential July 1, 1933.

Elmer W. McCreary to be postmaster at Gainesville, Fla., in place of L. C. Lynch, deceased.

Adam E. Koehler to be postmaster at Jacksonville Beach, Fla., in place of A. E. Koehler. Incumbent's commission expired October 31, 1933.

Burdett Loomis, Jr., to be postmaster at Pierce, Fla. Office became Presidential July 1, 1933.

J. Herman Manucy to be postmaster at St. Augustine, Fla., in place of E. R. Groff, removed.

Maude M. B. Martin to be postmaster at Sebastian, Fla. Office became Presidential July 1, 1932.

Oscar C. McDaniel to be postmaster at Sneads, Fla., in place of B. B. Wilson, resigned.

Girard N. Denning to be postmaster at Winter Park, Fla., in place of L. M. Chubb, resigned.

Emma S. Fletcher to be postmaster at Havana, Fla., in place of E. S. Fletcher. Incumbent's commission expired January 9, 1934.

Frederick S. Archer to be postmaster at Howey In The Hills, Fla., in place of F. S. Archer. Incumbent's commission expired September 30, 1933.

Myrtis Lawson to be postmaster at Jasper, Fla., in place of W. L. Bryan, resigned.

Dudley H. Morgan to be postmaster at River Junction, Fla., in place of D. H. Morgan. Incumbent's commission expired January 9, 1934.

Morton O. Brawner to be postmaster at Pensacola, Fla., in place of M. E. Clark. Incumbent's commission expired October 10, 1933.

GEORGIA

Ruth D. McClure to be postmaster at Acworth, Ga., in place of Karleene Fowler, removed.

Cleo H. Price to be postmaster at Adairsville, Ga., in place of C. W. Satterfield, resigned.

George E. Youmans to be postmaster at Adrian, Ga., in place of G. E. Youmans. Incumbent's commission expired January 9, 1933.

George B. McIntyre to be postmaster at Alley, Ga., in place of G. B. McIntyre. Incumbent's commission expired November 12, 1933.

Dan L. Gibson to be postmaster at Albany, Ga., in place of N. B. Brimberry, resigned.

John G. Gruber to be postmaster at Alma, Ga., in place of B. S. McMahan, removed.

Chester Maynard to be postmaster at Austell, Ga., in place of E. C. Ware, removed.

Henrietta E. Butt to be postmaster at Buena Vista, Ga., in place of H. E. Butt. Incumbent's commission expired October 31, 1933.

Arthur C. Little to be postmaster at Carnesville, Ga., in place of C. P. Sanders, resigned.

Guy H. Wells to be postmaster at Collegeboro, Ga. Office became Presidential July 1, 1932.

Robert H. Manson to be postmaster at Darien, Ga., in place of R. H. Manson. Incumbent's commission expired May 23, 1933.

Wylie West to be postmaster at Decatur, Ga., in place of G. M. Greely, resigned.

Oliver F. Deen to be postmaster at Douglas, Ga., in place of A. W. Haddock, removed.

William A. Adams to be postmaster at Fitzgerald, Ga., in place of W. A. Adams. Incumbent's commission expired February 28, 1933.

Mary V. Lynch to be postmaster at Fort Screven, Ga., in place of M. V. Lynch. Incumbent's commission expired September 30, 1933.

Augustus B. Mitcham, Jr., to be postmaster at Hampton, Ga., in place of C. W. Fields, resigned.

Glossie A. Dunford to be postmaster at Helena, Ga., in place of G. A. Dunford. Incumbent's commission expired March 2, 1933.

Fannie M. Vaughn to be postmaster at Jeffersonville, Ga., in place of F. M. Vaughn. Incumbent's commission expired September 30, 1933.

Charles Clements to be postmaster at La Fayette, Ga., in place of J. A. Allen, resigned.

Jane M. Wilkes to be postmaster at Lincolnton, Ga., in place of J. M. Wilkes. Incumbent's commission expired June 19, 1933.

Rhesa S. Farmer to be postmaster at Louisville, Ga., in place of R. H. Clark. Incumbent's commission expired December 20, 1930.

Aligene B. Howard to be postmaster at Ludowici, Ga., in place of F. L. Chapman, removed.

Peyton T. Anderson to be postmaster at Macon, Ga., in place of F. D. Stephens, deceased.

Edward A. Tigner to be postmaster at Milledgeville, Ga., in place of H. T. Cline, resigned.

Marion Lucas to be postmaster at Savannah, Ga., in place of Marion Lucas. Incumbent's commission expired May 23, 1933.

Susie M. Lunsford to be postmaster at Smithville, Ga., in place of S. M. Lunsford. Incumbent's commission expired May 23, 1933.

George T. Groover to be postmaster at Statesboro, Ga., in place of W. H. Blitch, resigned.

Mamie G. White to be postmaster at Stone Mountain, Ga., in place of J. P. Freeman, resigned.

Bertha L. Boyd to be postmaster at Union Point, Ga., in place of A. G. Lunceford, resigned.

Tilden A. Adkins to be postmaster at Vienna, Ga., in place of T. A. Adkins. Incumbent's commission expired May 22, 1933.

Charles H. Orr to be postmaster at Washington, Ga., in place of G. A. Poche, resigned.

Sim A. Gray to be postmaster at Waynesboro, Ga., in place of R. E. Fulcher. Incumbent's commission expired December 19, 1931.

Robert B. Bryan to be postmaster at Wrightsville, Ga., in place of R. B. Bryan. Incumbent's commission expired November 12, 1933.

Hardy S. McCalman to be postmaster at Buchanan, Ga., in place of A. R. Hutcheson, resigned.

Fred J. Forbes to be postmaster at Cave Spring, Ga., in place of A. N. Tumlin, resigned.

Louzier J. Wood to be postmaster at Cuthbert, Ga., in place of H. J. Knowles, deceased.

Levi P. Grainger to be postmaster at Blackshear, Ga., in place of L. E. Sweat, removed.

Sara B. Green to be postmaster at Fairburn, Ga., in place of M. W. Parker. Incumbent's commission expired June 19, 1933.

Stanley L. Morgan to be postmaster at Fayetteville, Ga., in place of M. M. Lewis. Incumbent's commission expired February 28, 1933.

Arley D. Finley to be postmaster at Hazlehurst, Ga., in place of J. H. Boone, removed.

W. Brantley Daniel to be postmaster at Millen, Ga., in place of E. A. Herrington, resigned.

Arthur B. Caldwell to be postmaster at Smyrna, Ga., in place of W. V. Cobb, removed.

Myrtle Louise Walker to be postmaster at Soperton, Ga., in place of B. H. McLarty, resigned.

HAWAII

Henry K. Pali to be postmaster at Kaunakakai, Hawaii, in place of H. E. Apo, removed.

Margaret de Coite Souza to be postmaster at Makauna, Hawaii, in place of Alfred Ornellas, removed.

Antonio D. Furtado to be postmaster at Lahaina, Hawaii, in place of M. K. Bruss, removed.

IDAHO

Anna R. Briggs to be postmaster at Atlanta, Idaho. Office became Presidential July 1, 1933.

Ida M. Helton to be postmaster at Homedale, Idaho, in place of I. M. Helton. Incumbent's commission expired December 11, 1933.

Homer W. Woodall to be postmaster at Soda Springs, Idaho, in place of H. W. Woodall. Incumbent's commission expired January 15, 1933.

Claude Ballard to be postmaster at Fairfield, Idaho, in place of Robert Leaper. Incumbent's commission expired September 18, 1933.

Benjamin F. Shaw to be postmaster at Grangeville, Idaho, in place of A. O. Edwards. Incumbent's commission expired February 9, 1933.

ILLINOIS

John G. Rehwald to be postmaster at Altamont, Ill., in place of L. M. Giesekeing, removed.

Jacob Heid to be postmaster at Cairo, Ill., in place of J. E. Miller. Incumbent's commission expired January 14, 1931.

Naomi C. Reiter to be postmaster at Cherry, Ill., in place of R. W. Colver, deceased.

Ernest J. Kruetgen to be postmaster at Chicago, Ill., in place of A. C. Lueder, resigned.

Pearl W. Blackwelder to be postmaster at Litchfield, Ill., in place of O. G. Striegel, resigned.

Charles L. Hodge to be postmaster at Mason, Ill., in place of R. D. Gibson, resigned.

Virginia D. Wall to be postmaster at Nebo, Ill., in place of W. J. Thornton, resigned.

Ralph Van Matre to be postmaster at Olney, Ill., in place of J. B. Porter, resigned.

Arthur B. Caughlan to be postmaster at Pittsfield, Ill., in place of A. L. Kiser, resigned.

Palmer E. Cogdal to be postmaster at Tallula, Ill., in place of P. H. Callaway, removed.

Ira Dezouche to be postmaster at Wayne City, Ill., in place of Wallace Leach, resigned.

Edward J. Welfin to be postmaster at Wheeling, Ill. Office became Presidential July 1, 1932.

INDIANA

John C. Evans to be postmaster at Bloomington, Ind., in place of E. H. Newlin, deceased.

Mary W. Lawrence to be postmaster at Earlham, Ind., in place of M. W. Lawrence. Incumbent's commission expired December 18, 1933.

Ernest R. Presser to be postmaster at Lapel, Ind., in place of D. E. Conrad, removed.

Henry Wyrick to be postmaster at Maywood, Ind. Office became Presidential July 1, 1932.

Harry S. Glump to be postmaster at New Harmony, Ind., in place of H. D. Long, deceased.

Myrtle A. Schreiber to be postmaster at New Palestine, Ind., in place of M. A. Schreiber. Incumbent's commission expired December 17, 1932.

Fred J. Merline to be postmaster at Notre Dame, Ind., in place of F. J. Merline. Incumbent's commission expired December 18, 1933.

William J. Zehner to be postmaster at Tipton, Ind., in place of C. L. Grishaw, deceased.

Earl M. Miller to be postmaster at Princeton, Ind., in place of A. M. Johnson, removed.

IOWA

Arthur A. Dingman to be postmaster at Aurelia, Iowa, in place of A. A. Dingman. Incumbent's commission expired December 13, 1933.

Price G. Thompson to be postmaster at Casey, Iowa, in place of W. W. Gundrum. Incumbent's commission expired January 9, 1933.

Thomas J. McManus to be postmaster at Keokuk, Iowa, in place of J. R. Irwin, resigned.

Rollin J. Gilchrist to be postmaster at Marengo, Iowa, in place of Frank Cook, removed.

Amelia Sondag to be postmaster at Portsmouth, Iowa, in place of Amelia Sondag. Incumbent's commission expired December 13, 1932.

Edward M. Bratton to be postmaster at Shellsburg, Iowa, in place of E. M. Bratton. Incumbent's commission expired December 13, 1932.

John I. Haldeman to be postmaster at Shenandoah, Iowa, in place of H. O. Day, resigned.

Arthur O. Reinhardt to be postmaster at Van Horne, Iowa, in place of A. O. Reinhardt. Incumbent's commission expired December 20, 1932.

Harry A. Northup to be postmaster at Audubon, Iowa, in place of G. S. Thomas, resigned.

Harry A. Gooch to be postmaster at Sioux City, Iowa, in place of W. H. Jones, deceased.

KANSAS

George O. Hunt to be postmaster at Belle Plaine, Kans., in place of R. E. Chapman, removed.

Albert F. Cassell to be postmaster at Beverly, Kans., in place of R. W. Ellenberger, removed.

Charles E. Drumm to be postmaster at Centralia, Kans., in place of C. O. Brown, Jr., removed.

Max Y. Sawyer to be postmaster at Galena, Kans., in place of F. J. Smith, resigned.

Thomas W. Sloan to be postmaster at Garfield, Kans., in place of F. L. McDowell, resigned.

Arley M. Kistler to be postmaster at Leon, Kans., in place of E. M. Boland, resigned.

Marvin A. Raven to be postmaster at Linn, Kans., in place of S. F. Lull, resigned.

Henderson E. Six to be postmaster at Lyons, Kans., in place of N. S. Wiggins, resigned.

Grace E. Wilson to be postmaster at Milford, Kans., in place of G. E. Wilson. Incumbent's commission expired January 8, 1933.

Walter R. Ives to be postmaster at Mount Hope, Kans., in place of J. A. Porter, removed.

George E. Smyser to be postmaster at Mulvane, Kans., in place of T. C. Conklin, resigned.

David H. Pugh to be postmaster at Tampa, Kans., in place of D. H. Pugh. Incumbent's commission expired December 16, 1933.

Amos A. Belsley to be postmaster at Wellington, Kans., in place of N. M. Cox, deceased.

Richard S. Ikenberry to be postmaster at Quinter, Kans., in place of H. W. Joy, removed.

Arthur H. Pendergrass to be postmaster at Rosalia, Kans. Office became presidential July 1, 1933.

KENTUCKY

Sara G. Friel to be postmaster at Ashland, Ky., in place of J. F. Hubbard, removed.

Charles B. Cox to be postmaster at Benton, Ky., in place of H. A. Riley, resigned.

Walter McKenzie to be postmaster at Eubank, Ky., in place of Maude Wesley, removed.

Rebecca B. Forsythe to be postmaster at Greenup, Ky., in place of E. E. Warnock, deceased.

Robert E. Johnson to be postmaster at Lawrenceburg, Ky., in place of J. B. Searcy, deceased.

Amelia B. Samuels to be postmaster at Lebanon Junction, Ky., in place of R. C. Duvall, resigned.

Martha J. Combs to be postmaster at Manchester, Ky., in place of William Rice, resigned.

James Purdon to be postmaster at Maysville, Ky., in place of Clarence Mathews, removed.

Peter T. Colgan to be postmaster at Middlesboro, Ky., in place of J. M. Miller, deceased.

Robert L. Case to be postmaster at Mount Olivet, Ky., in place of C. H. Throckmorton, removed.

Marie C. Hagan to be postmaster at New Haven, Ky., in place of J. P. Graham, resigned.

Ollie M. Lyon to be postmaster at Olive Hill, Ky., in place of E. P. Counts, resigned.

Jennie S. May to be postmaster at Stone, Ky., in place of J. S. May. Incumbent's commission expired December 20, 1932.

Homer B. Burks to be postmaster at Upton, Ky., in place of G. R. Ireland, resigned.

Mary Breckinridge, to be postmaster at Wendover, Ky. Office became presidential July 1, 1933.

Virginia C. Reynolds to be postmaster at Carlisle, Ky., in place of G. D. Scott, resigned.

Herman P. Yates to be postmaster at Kuttawa, Ky., in place of A. D. Thomson, resigned.

Matty M. Burns to be postmaster at Morehead, Ky., in place of H. C. Lewis. Incumbent's commission expired December 14, 1932.

Fred Acker to be postmaster at Paducah, Ky., in place of R. P. Cornelison, resigned.

LOUISIANA

Blanche V. Williams to be postmaster at Angola, La., in place of B. V. Williams. Incumbent's commission expired December 19, 1932.

Ruby M. Ivey to be postmaster at Benton, La., in place of R. M. Ivey. Incumbent's commission expired October 10, 1933.

Joseph C. Ballay to be postmaster at Buras, La., in place of J. C. Ballay. Incumbent's commission expired February 15, 1933.

Harry Preaus to be postmaster at Farmerville, La., in place of Harry Preaus. Incumbent's commission expired May 2, 1932.

William C. Reynolds to be postmaster at Ida, La., in place of W. C. Reynolds. Incumbent's commission expired November 20, 1933.

Lucille M. Wilton to be postmaster at Laplace, La., in place of E. L. Mire, removed.

Olivier Dufour to be postmaster at Marrero, La., in place of Olivier Dufour. Incumbent's commission expired May 23, 1933.

Albert C. Locke to be postmaster at Marthaville, La., in place of A. C. Locke. Incumbent's commission expired February 9, 1933.

Florida I. Fagot to be postmaster at Metairie, La. Office became presidential July 1, 1932.

Zollie J. Meadows to be postmaster at Ruston, La., in place of H. D. Wilson, resigned.

William S. Montgomery to be postmaster at Saline, La., in place of W. S. Montgomery. Incumbent's commission expired December 18, 1933.

Isidore A. Currault to be postmaster at Westwego, La., in place of I. A. Currault. Incumbent's commission expired May 26, 1932.

Elias C. Leone to be postmaster at Zwolle, La., in place of E. C. Leone. Incumbent's commission expired December 18, 1933.

Ernest B. Miller to be postmaster at Denham Springs, La., in place of E. B. Miller. Incumbent's commission expired January 8, 1934.

Edwin R. Ford to be postmaster at Jonesville, La., in place of E. R. Ford. Incumbent's commission expires February 1, 1934.

Annie B. Netterville to be postmaster at Newellton, La., in place of Jason Taylor. Incumbent's commission expired February 9, 1933.

Sylvester J. Folse to be postmaster at Patterson, La., in place of S. J. Folse. Incumbent's commission expired January 8, 1934.

Ada K. Allums to be postmaster at Plain Dealing, La., in place of A. K. Allums. Incumbent's commission expired January 8, 1934.

MAINE

Charles W. Abbott to be postmaster at Albion, Maine, in place of C. W. Abbott. Incumbent's commission expired December 11, 1932.

George H. Williams to be postmaster at Alfred, Maine, in place of G. H. Williams. Incumbent's commission expired December 11, 1932.

Walter O. Dunton to be postmaster at Boothbay Harbor, Maine, in place of C. E. Sherman, removed.

George W. Leonard to be postmaster at Brunswick, Maine, in place of L. A. Brown, resigned.

Arnold D. Chase to be postmaster at Kezar Falls, Maine, in place of E. W. Sawyer, deceased.

Charles P. Lemaire to be postmaster at Lewiston, Maine, in place of J. O. Fisher, resigned.

Edna M. Ellis to be postmaster at North Anson, Maine, in place of L. S. Isbell, resigned.

David H. Smith to be postmaster at Darkharbor, Maine, in place of D. H. Smith. Incumbent's commission expired December 18, 1933.

Hattie M. Higgins to be postmaster at Mapleton, Maine, in place of H. M. Higgins. Incumbent's commission expired January 16, 1934.

MARYLAND

Theodore M. Purnell to be postmaster at Berlin, Md., in place of D. W. Babcock, removed.

Thomas B. T. Radcliffe to be postmaster at Cambridge, Md., in place of W. H. Medford, resigned.

William B. Usilton to be postmaster at Chestertown, Md., in place of W. G. Smyth, removed.

Edwin S. Worthington to be postmaster at Darlington, Md., in place of E. S. Worthington. Incumbent's commission expired December 18, 1933.

Lewis H. Stoner to be postmaster at Emmitsburg, Md., in place of Grace Rowe. Incumbent's commission expired January 18, 1933.

Frank Vodopivec, Jr., to be postmaster at Kitzmiller, Md., in place of S. S. Bender, removed.

John E. Morris to be postmaster at Princess Anne, Md., in place of R. M. White, removed.

Charles W. Klee to be postmaster at Westminster, Md., in place of H. M. Kimmey, deceased.

LeRoy C. Barrick to be postmaster at Woodsboro, Md., in place of W. B. Cutshall, removed.

Charles W. Carney to be postmaster at Mount Savage, Md., in place of F. C. Lambie, resigned.

Charles L. Connell to be postmaster at Western Port, Md., in place of John Rankin, resigned.

MASSACHUSETTS

John H. McDonald to be postmaster at Andover, Mass., in place of J. C. Angus, deceased.

George G. Henry to be postmaster at Ashfield, Mass., in place of G. G. Henry. Incumbent's commission expired December 16, 1933.

John F. Saunders to be postmaster at Baldwinville, Mass., in place of W. P. Abbott. Incumbent's commission expired December 8, 1932.

Joseph P. Bartley to be postmaster at Barrowsville, Mass. Office became Presidential July 1, 1933.

Matthew D. E. Tower to be postmaster at Becket, Mass., in place of M. D. E. Tower. Incumbent's commission expired December 16, 1933.

Charles L. Goodspeed to be postmaster at Dennis, Mass., in place of C. L. Goodspeed. Incumbent's commission expired December 16, 1933.

Mildred D. O'Neil to be postmaster at Hyannis Port, Mass., in place of M. D. O'Neil. Incumbent's commission expired December 11, 1933.

Arthur L. Cushing to be postmaster at Island Creek, Mass., in place of Margaret Poole, resigned.

Mary M. Langen to be postmaster at Lancaster, Mass., in place of M. M. Langen. Incumbent's commission expired May 2, 1932.

Myra H. Lumbert to be postmaster at Pocasset, Mass., in place of M. H. Lumbert. Incumbent's commission expired December 16, 1933.

Florence S. Roddan to be postmaster at Randolph, Mass., in place of A. J. Maguire. Incumbent's commission expired January 8, 1933.

Mary E. Joseph to be postmaster at Truro, Mass., in place of M. E. Joseph. Incumbent's commission expired December 8, 1932.

Raymond F. Gurney to be postmaster at Wilbraham, Mass., in place of R. F. Gurney. Incumbent's commission expired September 18, 1933.

Eva Fitzpatrick to be postmaster at Allerton, Mass., in place of L. H. Fuller. Incumbent's commission expired March 2, 1933.

Clarence S. Perkins to be postmaster at Essex, Mass., in place of C. S. Perkins. Incumbent's commission expired December 16, 1933.

John E. Roche to be postmaster at Orange, Mass., in place of L. G. Lathrop, removed.

Nellie G. McDonald to be postmaster at Ward Hill, Mass., in place of N. G. McDonald. Incumbent's commission expired September 18, 1933.

MICHIGAN

Edson Porter to be postmaster at Blissfield, Mich., in place of O. T. Mallory, deceased.

Gerald R. Pitkin to be postmaster at Brighton, Mich., in place of Earl Brown, resigned.

Robert E. Lee to be postmaster at Byron, Mich., in place of H. G. Whitehead, deceased.

Marian A. Cleary to be postmaster at Clawson, Mich., in place of M. A. Cleary. Incumbent's commission expired December 7, 1932.

Mason A. Wright to be postmaster at Gaines, Mich., in place of C. T. Murphy, resigned.

Glenn O. Donner to be postmaster at Garden City, Mich. Office became presidential July 1, 1933.

Herbert E. Gunn to be postmaster at Holt, Mich., in place of H. E. Gunn. Incumbent's commission expired December 8, 1932.

William H. Cuthbertson to be postmaster at Ludington, Mich., in place of C. W. Perry, retired.

Mary E. Devins to be postmaster at Michigamme, Mich., in place of G. J. Murray, resigned.

George D. Mason to be postmaster at Montague, Mich., in place of G. D. Mason. Incumbent's commission expired December 16, 1933.

Peter Trudell, Jr., to be postmaster at Negaunee, Mich., in place of Peter Trudell, Jr. Incumbent's commission expired January 15, 1933.

Eva A. Wurzburg to be postmaster at Northport, Mich., in place of E. A. Wurzburg. Incumbent's commission expired December 16, 1933.

Louis J. Braun to be postmaster at South Range, Mich., in place of L. J. Braun. Incumbent's commission expired December 7, 1932.

Jerome Wilhelm to be postmaster at Traverse City, Mich., in place of M. O. Champney, removed.

Frank R. White to be postmaster at Webberville, Mich., in place of W. C. Oesterle, resigned.

Morton G. Wells to be postmaster at Byron Center, Mich., in place of M. G. Wells. Incumbent's commission expired December 16, 1933.

Patrick H. Schannenck to be postmaster at Chassell, Mich., in place of P. H. Schannenck. Incumbent's commission expired December 16, 1933.

Cyrenius P. Hunter to be postmaster at Gagetown, Mich., in place of C. P. Hunter. Incumbent's commission expired December 16, 1933.

Charles W. Tallant to be postmaster at Shelby, Mich., in place of G. L. Runner, removed.

John F. Lyons to be postmaster at White Cloud, Mich., in place of W. E. Kunz. Incumbent's commission expired September 18, 1933.

MINNESOTA

Anna C. Dallaire to be postmaster at Ah-Owah-Ching, Minn., in place of A. C. Dallaire. Incumbent's commission expired December 20, 1932.

Isaac R. Lamppa, Jr., to be postmaster at Embarrass, Minn., in place of I. R. Lamppa, Jr. Incumbent's commission expired December 20, 1932.

Edward C. Ellertson to be postmaster at Gully, Minn., in place of E. C. Ellertson. Incumbent's commission expired December 20, 1932.

Viola M. Terrell to be postmaster at Holdingford, Minn., in place of A. J. Schroeder, removed.

Joseph L. Gilson to be postmaster at Ivanhoe, Minn., in place of J. L. Gilson. Incumbent's commission expired January 11, 1933.

Joseph R. Keefe to be postmaster at Redwood Falls, Minn., in place of C. A. Luscher, removed.

Mathias J. Olson to be postmaster at Wolverton, Minn., in place of M. J. Olson. Incumbent's commission expired December 18, 1933.

Svend Petersen to be postmaster at Askov, Minn., in place of Svend Petersen. Incumbent's commission expired January 16, 1934.

John N. Peterson to be postmaster at Beltrami, Minn., in place of J. N. Peterson. Incumbent's commission expired December 18, 1933.

Cora O. Smith to be postmaster at Bayport, Minn., in place of C. O. Smith. Incumbent's commission expired January 22, 1934.

Arvid J. Lindgren to be postmaster at Orr, Minn., in place of A. J. Lindgren. Incumbent's commission expired December 18, 1933.

Edith B. Petersen to be postmaster at Tyler, Minn., in place of N. F. Petersen, deceased.

MISSISSIPPI

Margaret Henry to be postmaster at Anguilla, Miss., in place of Margaret Henry. Incumbent's commission expired June 14, 1933.

Will N. Guyton to be postmaster at Blue Mountain, Miss., in place of W. N. Guyton. Incumbent's commission expired February 28, 1933.

Harry L. Callicott to be postmaster at Coldwater, Miss., in place of H. L. Callicott. Incumbent's commission expired June 14, 1933.

James M. Thames to be postmaster at Decatur, Miss., in place of J. M. Thames. Incumbent's commission expired February 11, 1933.

Ernest A. Temple to be postmaster at Electric Mills, Miss., in place of E. A. Temple. Incumbent's commission expired December 19, 1933.

Finley B. Hewes to be postmaster at Gulfport, Miss., in place of F. B. Hewes. Incumbent's commission expired February 12, 1933.

Pink H. Morrison to be postmaster at Heidelberg, Miss., in place of P. H. Morrison. Incumbent's commission expired March 5, 1932.

Alline Jolly to be postmaster at Hickory, Miss., in place of Alline Jolly. Incumbent's commission expired June 14, 1933.

Walter E. Dreaden to be postmaster at Lambert, Miss., in place of W. E. Dreaden. Incumbent's commission expired February 15, 1933.

Burnell B. Hatten to be postmaster at Lyman, Miss., in place of B. B. Hatten. Incumbent's commission expired June 14, 1933.

Benjamin P. Albritton to be postmaster at McComb, Miss., in place of W. W. Holmes. Incumbent's commission expired February 28, 1933.

William M. Alexander to be postmaster at Moss Point, Miss., in place of Lamar Herrin, resigned.

Carson Hughes to be postmaster at Oakland, Miss., in place of Carson Hughes. Incumbent's commission expired June 14, 1933.

John W. Woodward to be postmaster at Oxford, Miss., in place of J. W. Woodward. Incumbent's commission expired April 5, 1930.

Johnnie L. Posey to be postmaster at Philadelphia, Miss., in place of J. L. Posey. Incumbent's commission expired February 28, 1933.

R. Ben Linn to be postmaster at Pickens, Miss., in place of R. B. Linn. Incumbent's commission expired October 2, 1933.

George D. Pylant to be postmaster at Purvis, Miss., in place of J. G. Daly, removed.

Henry B. Edwards to be postmaster at Shuqualak, Miss., in place of H. B. Edwards. Incumbent's commission expired February 14, 1931.

Tommie A. Hamill to be postmaster at Sturgis, Miss., in place of T. A. Hamill. Incumbent's commission expired June 14, 1933.

Lillie B. Carr to be postmaster at Sumner, Miss., in place of L. B. Carr. Incumbent's commission expired February 28, 1933.

Walter L. Collins to be postmaster at Union, Miss., in place of W. L. Collins. Incumbent's commission expired February 9, 1931.

Clyde E. Day to be postmaster at Brookhaven, Miss., in place of S. W. Swalm, removed.

Pearl S. Anderson to be postmaster at Centreville, Miss., in place of J. G. Carr. Incumbent's commission expired May 23, 1933.

Grace B. McIntosh to be postmaster at Collins, Miss., in place of B. D. Robertson, resigned.

MISSOURI

Felix P. Wulff to be postmaster at Argyle, Mo., in place of G. H. Bathe, Jr., resigned.

Ralph R. Breckenridge to be postmaster at Bosworth, Mo., in place of I. A. Sack, resigned.

Kenneth C. Patton to be postmaster at Clarksville, Mo., in place of Fred Fielder, removed.

William R. Taylor to be postmaster at Fulton, Mo., in place of F. D. Williams, resigned.

Harry F. Yeager to be postmaster at New London, Mo., in place of B. G. Bottorff, resigned.

John C. Hains to be postmaster at Slater, Mo., in place of G. D. Harris, resigned.

Jesse A. Twyman to be postmaster at Triplett, Mo., in place of C. C. Stobaugh, removed.

Mahlon H. White to be postmaster at Warsaw, Mo., in place of R. B. Petts, resigned.

Gertrude R. Maupin to be postmaster at Watson, Mo., in place of B. G. Ozenbaugh, removed.

Nettie Morgan to be postmaster at Camdenton, Mo. Office became Presidential July 1, 1932.

Alexander Rankin to be postmaster at Tarkio, Mo., in place of C. H. Duncan, resigned.

MONTANA

Hugh H. Waldron to be postmaster at Froid, Mont., in place of J. O. Dahl, deceased.

Jean W. Albers to be postmaster at Redstone, Mont., in place of J. W. Albers. Incumbent's commission expired December 18, 1933.

Flossie A. Marsh to be postmaster at Sheridan, Mont., in place of C. W. Marsh, deceased.

Thelma F. Holst to be postmaster at Westby, Mont., in place of T. F. Holst. Incumbent's commission expired April 24, 1933.

NEBRASKA

Joyce Hubbard to be postmaster at Ashby, Nebr., in place of Joyce Hubbard. Incumbent's commission expired September 18, 1933.

Astor B. Enborg to be postmaster at Bristow, Nebr., in place of A. B. Enborg. Incumbent's commission expired December 16, 1933.

Russell Mooberry to be postmaster at Dorchester, Nebr., in place of Russell Mooberry. Incumbent's commission expired May 12, 1932.

John A. Gibson to be postmaster at Mullen, Nebr., in place of J. A. Gibson. Incumbent's commission expired January 18, 1933.

Edwin A. Baugh to be postmaster at Oakland, Nebr., in place of E. A. Baugh. Incumbent's commission expired December 16, 1933.

Ernest J. Kaltenborn to be postmaster at Waco, Nebr., in place of E. J. Kaltenborn. Incumbent's commission expired February 25, 1933.

Minnie M. Morrow to be postmaster at Winside, Nebr., in place of M. M. Morrow. Incumbent's commission expired December 20, 1932.

NEW HAMPSHIRE

Sarah J. Moore to be postmaster at Alstead, N.H., in place of S. J. Moore. Incumbent's commission expired December 16, 1933.

Harriette H. Hinman to be postmaster at North Stratford, N.H., in place of H. H. Hinman. Incumbent's commission expired December 16, 1933.

NEW JERSEY

George M. Beaman to be postmaster at Keansburg, N.J., in place of H. T. Ackerman, deceased.

Agnes Despreaux to be postmaster at Middletown, N.J. Office became Presidential July 1, 1932.

Ella M. Fables to be postmaster at Whippany, N.J., in place of V. M. Kitchell, deceased.

NEW MEXICO

Agnes C. Evans to be postmaster at Shiprock, N.Mex., in place of A. C. Evans. Incumbent's commission expired December 15, 1931.

NEW YORK

Daniel W. Hanley to be postmaster at Albion, N.Y., in place of C. M. Bartlett, resigned.

W. Edward Sweetman to be postmaster at Ardsley on Hudson, N.Y., in place of F. W. Ravekes, removed.

John J. Navins to be postmaster at Barrytown, N.Y. Office became Presidential July 1, 1932.

Joseph S. Annable to be postmaster at Bayport, N.Y., in place of H. C. Truex, resigned.

Hanna A. Williams to be postmaster at Belleville, N.Y. Office became Presidential July 1, 1932.

Levi S. Davis to be postmaster at Berkshire, N.Y., in place of A. M. Ball, removed.

Frederic M. Buckley to be postmaster at Boonville, N.Y., in place of C. A. Musser, resigned.

Charles F. Bergner to be postmaster at Callicoon, N.Y., in place of Adam Metzger, resigned.

John C. Monahan to be postmaster at Canandaigua, N.Y., in place of William Tracey, deceased.

Burdette G. Dewell to be postmaster at Catskill, N.Y., in place of W. B. Donahue, resigned.

Benjamin B. Tooker to be postmaster at Center Meriches, N.Y., in place of J. T. McLain, removed.

Oscar D. Ayres to be postmaster at Central Valley, N.Y., in place of T. W. Grahls, resigned.

Thomas F. J. Hannan to be postmaster at Chappaqua, N.Y., in place of Walter Carr, removed.

Philip J. Dwyer to be postmaster at Chittenango, N.Y., in place of D. T. Evans, resigned.

William J. Casselman to be postmaster at Clayton, N.Y., in place of J. E. Swartwout, removed.

Howard G. McGee to be postmaster at Copake, N.Y., in place of E. E. Fuller, removed.

Walter S. Blade to be postmaster at Delanson, N.Y., in place of W. C. Wilber, removed.

Leona Fortner to be postmaster at Dryden, N.Y., in place of M. G. Colwell, resigned.

Clayton I. Burch to be postmaster at Earlville, N.Y., in place of S. B. Cloyes, deceased.

Wayne H. Wright, to be postmaster at East Aurora, N.Y., in place of F. O. Persons, removed.

Samuel B. Cline to be postmaster at East Hampton, N.Y., in place of D. C. Talmage, removed.

Joseph C. Zuklin to be postmaster at East Islip, N.Y., in place of Rudolph Silha. Appointee declined.

Austin A. Crary to be postmaster at East Rockaway, N.Y., in place of R. J. Higgins, resigned.

Charles W. Thompson to be postmaster at Eaton, N.Y., in place of A. J. White, resigned.

Emily C. Stevens to be postmaster at Eldred, N.Y., in place of John Sparks, resigned.

Thomas J. McMullen to be postmaster at Ellenville, N.Y., in place of W. L. Fuller, resigned.

Nettie Kass to be postmaster at Greenfield Park, N.Y., in place of Nettie Kass. Incumbent's commission expired May 31, 1933.

Lloyd C. Vunk to be postmaster at Hagaman, N.Y., in place of J. A. Crager, removed.

Matthew F. Dixon to be postmaster at Hamilton, N.Y., in place of I. S. Sears, resigned.

Raymond C. Nellis to be postmaster at Hastings, N.Y. Office became Presidential July 1, 1932.

Francis J. Kelly to be postmaster at Hornell, N.Y., in place of R. M. Hackett, retired.

Roscoe H. Whiter to be postmaster at Ilion, N.Y., in place of C. R. Chismore. Incumbent's commission expired April 18, 1932.

John V. Kellogg to be postmaster at Interlaken, N.Y., in place of L. M. Johnson, removed.

Thomas V. O'Connell to be postmaster at Island Park, N.Y., in place of W. E. Howard, resigned.

Albert J. Griffiths to be postmaster at Keuka Park, N.Y., in place of E. W. Cushman, resigned.

Grace S. G. Davies to be postmaster at Lake Kushaqua, N.Y., in place of G. S. G. Davies. Incumbent's commission expired January 30, 1933.

Gustav I. Gehweiler to be postmaster at Lake Ronkonkoma, N.Y., in place of James Agnew, removed.

Clyde S. Edmister to be postmaster at Lisle, N.Y., in place of B. B. Howland, removed.

Zoa I. Van Gorder to be postmaster at Minetto, N.Y., in place of H. A. Ranous, removed.

William McNeal to be postmaster at Montgomery, N.Y., in place of William McNeal. Incumbent's commission expired February 24, 1931.

Louis C. Donovan to be postmaster at Mount Morris, N.Y., in place of J. C. Dickey, deceased.

John C. Morgan to be postmaster at Naples, N.Y., in place of J. H. Huntington, resigned.

Daniel Shaw to be postmaster at New Paltz, N.Y., in place of Perry Deyo. Incumbent's commission expired December 20, 1932.

Dennis Shannon to be postmaster at New York Mills, N.Y., in place of Catherine Jamieson, removed.

August F. Biesel to be postmaster at Niverville, N.Y. Office became Presidential July 1, 1933.

Benjamin Lomench to be postmaster at North Bellmore, N.Y. Office became Presidential July 1, 1932.

Hiram C. Denton to be postmaster at Northville, N.Y., in place of James Carpenter, resigned.

Hugh M. Bulger to be postmaster at Norwich, N.Y., in place of A. N. Cobb, resigned.

William E. Farnsworth to be postmaster at Oakfield, N.Y., in place of C. L. Griffin, resigned.

Floyd C. Bennett to be postmaster at Otego, N.Y., in place of H. G. Brown, resigned.

John J. Cassidy to be postmaster at Port Jefferson, N.Y., in place of C. H. Floyd, removed.

Hugo Kreitzberg to be postmaster at Port Jefferson Station, N.Y., in place of J. P. Walker, resigned.

Francis M. Daly to be postmaster at Pulaski, N.Y., in place of Andrew Murray, resigned.

Dennis T. Dillon, Jr., to be postmaster at Raquette Lake, N.Y., in place of Dennis Dillon, resigned.

Alice A. Sherman to be postmaster at Shelter Island, N.Y., in place of E. C. Griffing, resigned.

Thomas J. Reilly to be postmaster at Silver Springs, N.Y., in place of B. M. Clark, removed.

Nora E. Feeley to be postmaster at Skaneateles Falls, N.Y., in place of E. A. Cronauer, resigned.

Edmund L. Weston to be postmaster at Syracuse, N.Y., in place of James McLusky, deceased.

Raymond J. Slattery to be postmaster at Trudeaus, N.Y., in place of M. E. Wroten, deceased.

Jesse S. Crane to be postmaster at Vestal, N.Y., in place of E. A. Frey, removed.

Chauncey H. McLean to be postmaster at Wallkill, N.Y., in place of Daniel Van Alst, resigned.

Thomas F. Clancy to be postmaster at Wantagh, N.Y., in place of Agnes Siems, removed.

Oliver C. Cone to be postmaster at Waterloo, N.Y., in place of J. C. Shanks, deceased.

Mabel B. Williams to be postmaster at Westhampton Beach, N.Y., in place of A. E. Nichols, Jr., resigned.

Dennis A. Ferris to be postmaster at Windham, N.Y., in place of James Richtmyer, resigned.

Walter J. Reynolds to be postmaster at Woodhull, N.Y., in place of L. C. Husted, removed.

William A. Gardner to be postmaster at Amsterdam, N.Y., in place of J. M. Reid, retired.

James P. Bruen to be postmaster at Bedford Hills, N.Y., in place of Irving Barrett, resigned.

Wentworth S. Colwell to be postmaster at Cold Spring, N.Y., in place of Leon Pralatoski, removed.

William L. McGranaghan to be postmaster at Hancock, N. Y., in place of W. R. Churchill, resigned.

Dennis W. Daly to be postmaster at Lockport, N.Y., in place of T. F. Walker, deceased.

Fannie Schwartz to be postmaster at Long Beach, N.Y., in place of L. O. Wilson, removed.

Edward J. McSweeney to be postmaster at Long Lake, N.Y., in place of E. J. McSweeney. Incumbent's commission expired December 16, 1933.

Katherine M. Nortz to be postmaster at Lowville, N.Y., in place of H. M. Lanpher, removed.

John A. Donahue to be postmaster at Newburgh, N.Y., in place of A. E. Brundage, removed.

Howard M. Curtis to be postmaster at Richfield Springs, N.Y., in place of W. G. Bullion, resigned.

Anthony J. Kennedy to be postmaster at Suffern, N.Y., in place of A. E. Butler, transferred.

Daniel J. Coutu, Jr., to be postmaster at Sunmount, N.Y., in place of W. L. Bouchard, removed.

John T. Clark to be postmaster at Tuxedo Park, N.Y., in place of E. L. Kent, removed.

Julia H. Roche to be postmaster at Unionville, N.Y., in place of J. H. Roche. Incumbent's commission expired April 24, 1933.

NORTH CAROLINA

Handy C. Allred to be postmaster at Alamance, N.C. Office became Presidential July 1, 1933.

Willis M. Manning to be postmaster at Bailey, N.C., in place of S. M. Vick, resigned.

T. Coleman Galloway to be postmaster at Brevard, N.C., in place of R. L. Nicholson, resigned.

G. Leslie Hensley to be postmaster at Burnsville, N.C., in place of C. L. Brown, resigned.

Samuel T. Stough to be postmaster at Davidson, N.C., in place of J. L. Sloan, deceased.

Carroll E. Kramer to be postmaster at Edenton, N.C., in place of M. S. Elliott, resigned.

Erastus B. Huffine to be postmaster at Elon College, N.C., in place of C. A. Hughes, resigned.

Nathan W. LeGrand to be postmaster at Hamlet, N.C., in place of Jenks Terry, removed.

Thomas N. Kerns to be postmaster at Huntersville, N.C., in place of S. M. Mullen, resigned.

Oscar L. Phillips to be postmaster at Matthews, N.C., in place of W. H. Stewart, resigned.

Frances G. Thompson to be postmaster at Morven, N.C., in place of F. G. Thompson. Incumbent's commission expired January 5, 1933.

Carl L. Williamson to be postmaster at Raleigh, N.C., in place of W. B. Duncan, resigned.

Paul Green to be postmaster at Thomasville, N.C., in place of K. L. Long. Incumbent's commission expired January 11, 1933.

J. Francis Tron, Jr., to be postmaster at Valdese, N.C., in place of J. V. Benfield, resigned.

Bertie L. Matthews to be postmaster at Vass, N.C., in place of C. L. Tyson, removed.

Hugh M. McArn to be postmaster at Laurinburg, N.C., in place of Carl McLean. Incumbent's commission expired December 18, 1933.

Wilbur R. Doshier to be postmaster at Wilmington, N.C., in place of F. T. Tucker, resigned.

NORTH DAKOTA

Henry D. Mack to be postmaster at Dickey, N.Dak., in place of H. D. Mack. Incumbent's commission expired February 23, 1933.

George W. McIntyre, Jr., to be postmaster at Grafton, N.Dak., in place of V. A. Tallackson, resigned.

Hugh Roan to be postmaster at Portal, N.Dak., in place of Hugh Roan. Incumbent's commission expired February 28, 1933.

Damian A. Preske to be postmaster at St. Michael, N.Dak. Office became Presidential July 1, 1933.

OHIO

Joseph A. Link to be postmaster at Carthage, Ohio, in place of J. A. Link. Incumbent's commission expired December 7, 1932.

A. Hulse Hays to be postmaster at Circleville, Ohio, in place of G. P. Foresman, resigned.

Nathan A. McCoy, Sr., to be postmaster at Columbus, Ohio, in place of J. R. Geren, transferred.

Fred A. Kenney to be postmaster at Delta, Ohio, in place of W. H. Lambert, deceased.

Clifford B. Hyatt to be postmaster at Killbuck, Ohio, in place of C. B. Hyatt. Incumbent's commission expired December 7, 1932.

James E. Gallagher to be postmaster at Lancaster, Ohio, in place of J. W. Huddle, removed.

Fred W. Justus to be postmaster at Massillon, Ohio, in place of G. H. Shauf, deceased.

Harry E. Miller to be postmaster at New Concord, Ohio, in place of W. C. Trace, removed.

John Maurer to be postmaster at New Philadelphia, Ohio, in place of J. W. Mathias, deceased.

Edwin Sommers to be postmaster at Ottawa, Ohio, in place of S. O. Kerr, resigned.

OKLAHOMA

Berry M. Crosby to be postmaster at Bixby, Okla., in place of J. B. Sample, removed.

Pauline M. Angevine to be postmaster at Dewey, Okla., in place of T. P. Shira, resigned.

James Jones Quarles, Jr., to be postmaster at Fairfax, Okla., in place of R. R. Dodd, removed.

James W. Blye to be postmaster at Hennessey, Okla., in place of S. A. Snyder. Incumbent's commission expired January 22, 1931.

Jackson Willis to be postmaster at Maysville, Okla., in place of C. F. Ritcheson, resigned.

Roy McGhee to be postmaster at Miami, Okla., in place of Wayne Anderson, removed.

Laura L. Bennett to be postmaster at Mountain Park, Okla., in place of O. E. Dale, resigned.

James T. Norton to be postmaster at Nowata, Okla., in place of F. W. Galer, deceased.

Theodore C. Bowling to be postmaster at Pryor, Okla., in place of E. M. Harding, resigned.

David S. Williams to be postmaster at Purcell, Okla., in place of E. M. Moore, resigned.

George W. Shed to be postmaster at Sasakwa, Okla., in place of D. G. Wood, removed.

John C. Bennett to be postmaster at Tishomingo, Okla., in place of R. C. Fleming, removed.

George L. Watkins to be postmaster at Tulsa, Okla., in place of J. M. Adkison, resigned.

James McK. Williams to be postmaster at Walters, Okla., in place of R. W. Wallace, resigned.

Brooke L. Wallace to be postmaster at Wayne, Okla., in place of E. B. Henderson, removed.

OREGON

John Q. Buell to be postmaster at Chiloquin, Oreg., in place of J. Q. Buell. Incumbent's commission expired December 7, 1932.

Sadie B. Jones to be postmaster at Oakridge, Oreg., in place of S. B. Jones. Incumbent's commission expired December 8, 1932.

Early Phillips to be postmaster at Scio, Oreg., in place of J. S. Sticha, deceased.

PENNSYLVANIA

Samuel M. Rathman to be postmaster at Adamstown, Pa., in place of S. M. Rathman. Incumbent's commission expired January 14, 1933.

Clyde A. Plank to be postmaster at Aspers, Pa., in place of J. J. Rex. Incumbent's commission expired September 30, 1933.

Marvin F. Birely to be postmaster at Blue Ridge Summit, Pa., in place of C. L. Albert. Incumbent's commission expired January 19, 1933.

Beatrice M. Sanchez to be postmaster at Canadensis, Pa., in place of I. E. Megargel, resigned.

Marion S. Macomber to be postmaster at Delta, Pa., in place of A. G. Dunlap, resigned.

Chester P. McCoy to be postmaster at Elmora, Pa., in place of C. P. McCoy. Incumbent's commission expired February 28, 1933.

Charles A. Williams to be postmaster at Gettysburg, Pa., in place of J. H. Eckert, retired.

Stanley C. Croop to be postmaster at Hunlock Creek, Pa. Office became Presidential July 1, 1932.

James P. King to be postmaster at Kittanning, Pa., in place of H. B. Henderson, deceased.

Edith M. Phelps to be postmaster at Ludlow, Pa., in place of E. M. Phelps. Incumbent's commission expired April 27, 1930.

George B. Wilcox to be postmaster at Portland, Pa., in place of G. B. Wilcox. Incumbent's commission expired January 11, 1932.

John L. Gates to be postmaster at Quincy, Pa., in place of C. W. High. Incumbent's commission expired February 25, 1933.

Byron E. Smith to be postmaster at St. Marys, Pa., in place of B. E. Smith. Incumbent's commission expired January 19, 1933.

Alameda S. Keesy to be postmaster at Schenley, Pa. Office became Presidential July 1, 1933.

Frank G. Ketner to be postmaster at Shillington, Pa., in place of Frank Shupp, removed.

Rose C. Pierson to be postmaster at Villa Maria, Pa. Office became Presidential July 1, 1932.

Louise S. Cortright to be postmaster at Lackawaxen, Pa., in place of L. S. Cortright. Incumbent's commission expired January 8, 1934.

Eva Leedom to be postmaster at Primos, Pa. Office became Presidential July 1, 1931.

PUERTO RICO

Concepcion Torrens de Arrillaga to be postmaster at Anasco, P.R. Office became Presidential July 1, 1932.

Leonor G. Rodriguez to be postmaster at Guayanilla, P.R., in place of L. G. Rodriguez. Incumbent's commission expired December 8, 1932.

Luis E. Kolb to be postmaster at Utuado, P.R., in place of L. E. Kolb. Incumbent's commission expired January 8, 1933.

RHODE ISLAND

John J. O'Connor to be postmaster at Ashton, R.I., in place of David Ross, resigned.

John J. McCabe to be postmaster at Pontiac, R.I., in place of J. J. McCabe. Incumbent's commission expired December 11, 1932.

SOUTH CAROLINA

Thomas B. Hallman to be postmaster at Aiken, S.C., in place of E. E. Brown. Incumbent's commission expired April 5, 1932.

Dana T. Crosland to be postmaster at Bennettsville, S.C., in place of D. T. Crosland. Incumbent's commission expired January 8, 1933.

Luther C. Davis to be postmaster at Georgetown, S.C., in place of T. J. Karnes. Incumbent's commission expired May 26, 1930.

George N. Burnett to be postmaster at Greenwood, S.C., in place of H. E. Tolbert, removed.

John W. Willis to be postmaster at Lynchburg, S.C., in place of J. W. Willis. Incumbent's commission expired December 14, 1932.

James M. Muirhead to be postmaster at Mount Pleasant, S.C., in place of A. H. Goblet, removed.

Paul H. Norris to be postmaster at Parris Island, S.C., in place of P. H. Norris. Incumbent's commission expired December 11, 1933.

Lindsay C. McFadden to be postmaster at Rock Hill, S.C., in place of A. R. Barrett, resigned.

Palmer A. Matthews to be postmaster at Winnsboro, S.C., in place of M. M. Stewart, resigned.

John B. O'Neal to be postmaster at Fairfax, S.C., in place of J. B. O'Neal. Incumbent's commission expired January 11, 1934.

SOUTH DAKOTA

Granvel N. Collins to be postmaster at Camp Crook, S.Dak., in place of H. F. Brewer. Incumbent's commission expired December 12, 1932.

George M. Foltz to be postmaster at Herrick, S.Dak., in place of A. F. Glaser, resigned.

Anna A. Dithmer to be postmaster at Kadoka, S.Dak., in place of C. L. Corrington. Incumbent's commission expired February 28, 1933.

TENNESSEE

John J. Parran to be postmaster at Bolivar, Tenn., in place of H. W. Black, resigned.

James F. Anderson to be postmaster at Cleveland, Tenn., in place of B. C. Brown, removed.

William B. Olds to be postmaster at Cottagegrove, Tenn., in place of E. R. Kilgore, removed.

Vola W. Mansfield to be postmaster at Dunlap, Tenn., in place of S. H. Hixson, resigned.

William Gupton to be postmaster at Nashville, Tenn., in place of O. F. Minton, transferred.

Amy G. Sylar to be postmaster at Ooltewah, Tenn., in place of Belle Whittenburg, removed.

Ethel N. Stanfield to be postmaster at Signal Mountain, Tenn., in place of J. H. Bootson, removed.

Irene M. Cheairs to be postmaster at Spring Hill, Tenn., in place of I. M. Cheairs. Incumbent's commission expired March 3, 1931.

James B. Goodwin to be postmaster at Trezevant, Tenn., in place of J. G. Holmes, resigned.

William P. Stone to be postmaster at Lynchburg, Tenn., in place of P. L. Hayes, resigned.

Alfred H. Gill to be postmaster at Silver Point, Tenn., in place of W. J. Julian, resigned.

Lemuel F. Bell to be postmaster at Springfield, Tenn., in place of J. H. Calloway. Incumbent's commission expired June 19, 1933.

TEXAS

Kenneth McKenzie to be postmaster at Alba, Tex., in place of W. W. McChristian, resigned.

James O. Allen to be postmaster at Arp, Tex., in place of Della Gordon, resigned.

Prentice A. Hayes to be postmaster at Barstow, Tex., in place of F. P. Ingerson, deceased.

Earl E. Frost to be postmaster at Bridgeport, Tex., in place of J. F. House, resigned.

William T. Burnett to be postmaster at Brownsville, Tex., in place of G. W. Dennett, resigned.

Minnie P. Irving to be postmaster at Center Point, Tex., in place of M. P. Irving. Incumbent's commission expired September 16, 1933.

Nadyne Goodman to be postmaster at Collinsville, Tex., in place of Etta Varley, removed.

Kathleen H. Corn to be postmaster at Crockett, Tex., in place of W. T. Cutler. Incumbent's commission expired December 19, 1931.

Tom S. Kent, Jr., to be postmaster at Grapeland, Tex., in place of W. T. Pridgen. Incumbent's commission expired March 21, 1932.

Roy S. Lively to be postmaster at Irving, Tex. Office became Presidential April 1, 1924.

Georgia C. Wolfe to be postmaster at Lefors, Tex., in place of G. C. Wolfe. Incumbent's commission expired September 16, 1933.

Philpott Karner to be postmaster at Mexia, Tex., in place of Isidore Newman, deceased.

Benjamin F. Hobson to be postmaster at Paducah, Tex., in place of A. E. Dumont, resigned.

Mary M. Ferrel to be postmaster at Roby, Tex., in place of M. M. Ferrel. Incumbent's commission expired December 20, 1932.

Theodore M. Herring to be postmaster at San Angelo, Tex., in place of T. M. Herring. Incumbent's commission expired June 19, 1933.

John A. Nicholson to be postmaster at Sanger, Tex., in place of H. D. Greene, resigned.

John L. Brunner to be postmaster at Taylor, Tex., in place of A. P. Hicks, deceased.

James P. Sharp to be postmaster at Tioga, Tex., in place of J. I. Dunn, deceased.

Walter J. Huff to be postmaster at Trenton, Tex., in place of M. B. Earnheart, deceased.

Pearl B. Monke to be postmaster at Weinert, Tex., in place of P. B. Monke. Incumbent's commission expired December 8, 1932.

Gilbert McGloin to be postmaster at Corpus Christi, Tex., in place of Gilbert McGloin. Incumbent's commission expired May 29, 1932.

Willie N. Cargill to be postmaster at Eddy, Tex., in place of C. J. Lewis. Incumbent's commission expired March 21, 1932.

Lonnie Childs to be postmaster at Fairfield, Tex., in place of T. B. Newman. Incumbent's commission expired January 31, 1933.

Richard L. Hall to be postmaster at Greggton, Tex. Office became Presidential October 1, 1933.

Thomas M. White to be postmaster at Hamilton, Tex., in place of Kathryn Witty. Incumbent's commission expired February 25, 1933.

Arch A. Gary to be postmaster at Henderson, Tex., in place of G. W. L. Smith, deceased.

Charles R. Conley to be postmaster at Iredell, Tex., in place of H. B. Strong, deceased.

Esther L. Berry to be postmaster at Joinerville, Tex. Office became Presidential July 1, 1933.

Harry S. Merts to be postmaster at McAllen, Tex., in place of W. I. Witherspoon, removed.

Willie L. Nelson to be postmaster at Mount Vernon, Tex., in place of Marion Zercher, resigned.

William P. Lawrence to be postmaster at Quitman, Tex., in place of L. W. Garrett, resigned.

Marcus E. Cannon to be postmaster at Thornton, Tex., in place of W. R. Holton, removed.

UTAH

Heber J. Sheffield, Jr., to be postmaster at Kaysville, Utah, in place of H. J. Sheffield, Jr. Incumbent's commission expired January 26, 1933.

VERMONT

Kenneth A. Tudhope to be postmaster at North Hero, Vt., in place of J. T. Tudhope, resigned.

Anson S. Hawkins to be postmaster at South Shaftsbury, Vt., in place of G. E. Martin, removed.

VIRGINIA

Benjamin F. Britt to be postmaster at Boykins, Va., in place of N. A. Mannes, resigned.

Ira D. Newcomb to be postmaster at Clarksville, Va., in place of P. L. Cooper, resigned.

Henry C. Swanson to be postmaster at Danville, Va., in place of S. W. Collie, retired.

Burley M. Garner to be postmaster at Emporia, Va., in place of T. J. Crickenberger, removed.

Herbert B. Brockwell to be postmaster at Ettrick, Va., in place of M. N. Lafoon. Incumbent's commission expired January 29, 1933.

David J. Garber to be postmaster at Fort Humphreys, Va., in place of R. W. Walker, deceased.

George W. Mitchell to be postmaster at Gladys, Va. Office became Presidential July 1, 1933.

Emmett L. Allen to be postmaster at Glenallen, Va., in place of E. L. Allen. Incumbent's commission expired January 5, 1932.

Lucy M. Wing to be postmaster at Greenway, Va. Office became Presidential July 1, 1933.

Margaret H. Hardy to be postmaster at McKenney, Va., in place of M. H. Hardy. Incumbent's commission expired February 25, 1933.

Peter D. Holland to be postmaster at Moneta, Va. Office became Presidential July 1, 1933.

Joseph W. Harvey to be postmaster at Montrose, Va., in place of J. W. Harvey. Incumbent's commission expired February 28, 1933.

Harrison H. Dodge to be postmaster at Mount Vernon, Va. Office became Presidential July 1, 1932.

John W. Burger to be postmaster at Natural Bridge, Va., in place of Gladys Mitchell, resigned.

Leslie N. Ligon to be postmaster at Pamplin, Va., in place of W. C. Franklin, resigned.

Ashton W. Gray to be postmaster at Petersburg, Va., in place of J. A. Johnston, transferred.

James V. Lewis to be postmaster at Prospect, Va., in place of T. R. Cocks, resigned.

Joseph F. Judkins to be postmaster at Surry, Va., in place of H. T. Munt, removed.

Frank L. Mitchell to be postmaster at Vinton, Va., in place of F. C. Moore, resigned.

R. Tyler Bland to be postmaster at West Point, Va., in place of M. O. Pumphrey. Incumbent's commission expired February 25, 1933.

WASHINGTON

James B. Robertson to be postmaster at Kettle Falls, Wash., in place of J. B. Robertson. Incumbent's commission expired February 8, 1933.

William E. Field to be postmaster at Quincy, Wash., in place of J. L. Field, deceased.

John Maloney, Jr., to be postmaster at Skykomish, Wash., in place of L. P. McIntyre, removed.

Pearl B. Burrill to be postmaster at Snoqualmie Falls, Wash., in place of P. B. Burrill. Incumbent's commission expired January 9, 1933.

James E. Clark to be postmaster at Ryderwood, Wash., in place of J. E. Clark. Incumbent's commission expires January 28, 1934.

WEST VIRGINIA

S. Cleveland Underwood to be postmaster at Bethany, W.Va., in place of M. B. Carman, resigned.

Emmett C. Andrick to be postmaster at Elizabeth, W.Va., in place of S. H. Mitchell, deceased.

Thomas T. Bambrick to be postmaster at Hollidays Cove, W.Va., in place of J. A. Ferguson, removed.

Fred A. Burt to be postmaster at Mannington, W.Va., in place of J. D. Charlton, removed.

Justus O. Eakin to be postmaster at New Martinsville, W.Va., in place of L. V. McIntire. Incumbent's commission expired January 9, 1932.

Mack Kiger to be postmaster at Paden City, W.Va., in place of L. F. Fagert, removed.

Wilbur S. Moore to be postmaster at Pine Grove, W.Va., in place of H. M. Watson. Incumbent's commission expired December 10, 1932.

William L. Brice to be postmaster at Wheeling, W.Va., in place of F. E. Cowl, removed.

John J. Walker to be postmaster at Follansbee, W.Va., in place of C. B. Dodd, resigned.

Anna M. Stephenson to be postmaster at Parkersburg, W.Va., in place of J. W. Bee, removed.

James J. Lovell to be postmaster at Point Pleasant, W.Va., in place of H. F. Lewis, resigned.

WISCONSIN

John J. Riordan to be postmaster at Beloit, Wis., in place of L. F. Rosenthal, retired.

Frank R. Hughes to be postmaster at Chippewa Falls, Wis., in place of J. A. Watson, removed.

Arthur G. Hoskins to be postmaster at Dodgeville, Wis., in place of J. C. Pile, resigned.

Henry E. Steinbring to be postmaster at Fall Creek, Wis., in place of H. E. Steinbring. Incumbent's commission expired January 21, 1933.

Arthur H. Gruenewald to be postmaster at Oshkosh, Wis., in place of E. P. G. Schlerf, removed.

Peter P. Dandoneau to be postmaster at Rhinelander, Wis., in place of C. L. Calkins, removed.

Nicholas Lucius, Jr., to be postmaster at Solon Springs, Wis., in place of Nicholas Lucius, Jr. Incumbent's commission expired December 18, 1933.

George W. Shenkenberg to be postmaster at Waterford, Wis., in place of A. J. Topp. Incumbent's commission expired February 25, 1933.

Will Riley to be postmaster at Darlington, Wis., in place of A. H. Krog. Incumbent's commission expired January 9, 1933.

Oliver E. Neuens to be postmaster at Fredonia, Wis., in place of J. W. Kane, deceased.

Leo M. Meyer to be postmaster at Loyal, Wis., in place of H. G. Tucker. Incumbent's commission expired September 30, 1933.

Earl D. Young to be postmaster at Melrose, Wis., in place of Frank Wachter, removed.

Levy Williamson to be postmaster at Mineral Point, Wis., in place of E. N. Harris, transferred.

Louis W. Kurth to be postmaster at Neillsville, Wis., in place of B. J. Brown. Incumbent's commission expired September 30, 1933.

Hilary T. Karis to be postmaster at Norwalk, Wis., in place of F. M. Neumann. Incumbent's commission expired January 21, 1933.

Edmund J. Piechowski to be postmaster at Redgranite, Wis., in place of J. E. Finnerty, removed.

Stephen J. McShane to be postmaster at Rice Lake, Wis., in place of H. W. Field, deceased.

Charles F. Heald to be postmaster at Sheboygan Falls, Wis., in place of R. M. Nichols, resigned.

WYOMING

James J. McDermott to be postmaster at Arvada, Wyo., in place of J. J. McDermott. Incumbent's commission expired December 16, 1933.

Edward N. Greff to be postmaster at Chugwater, Wyo., in place of F. A. Beard, resigned.

John F. Cook to be postmaster at Cody, Wyo., in place of A. P. Libby, removed.

Myra E. Geer to be postmaster at Cokeville, Wyo., in place of A. J. Schils, deceased.

Minnie C. Corum to be postmaster at Encampment, Wyo., in place of M. C. Corum. Incumbent's commission expired December 16, 1933.

Frederick W. Chamberlain to be postmaster at Greybull, Wyo., in place of F. F. Bristow, resigned.

Andrew Morrow to be postmaster at Kemmerer, Wyo., in place of J. H. Mantle, resigned.

Henry J. Wendt to be postmaster at Lander, Wyo., in place of J. G. Bruce, resigned.

Allen T. Frans to be postmaster at Meeteetse, Wyo., in place of A. T. Frans. Incumbent's commission expired September 18, 1933.

Lilian M. Blackwell to be postmaster at Shoshoni, Wyo., in place of R. E. Chittick, Jr., resigned.

Dorsey T. Shoemaker to be postmaster at Torrington, Wyo., in place of L. E. Eaton, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 23, 1934

ASSISTANT ATTORNEY GENERAL

Joseph B. Keenan to be Assistant Attorney General.

UNITED STATES DISTRICT JUDGES

George F. Alexander to be district judge, division no. 1, District of Alaska.

J. Earl Major to be United States district judge, southern district of Illinois.

Robert A. Cooper to be United States district judge, District of Puerto Rico.

ASSOCIATE JUSTICES, SUPREME COURT, PHILIPPINE ISLANDS

Anacleto Diaz to be associate justice of the Supreme Court of the Philippine Islands.

Leonard S. Goddard to be associate justice of the Supreme Court of the Philippine Islands.

GOVERNOR OF PUERTO RICO

Blanton Winship to be Governor of Puerto Rico.

ATTORNEY GENERAL OF PUERTO RICO

Benjamin J. Horton to be Attorney General of Puerto Rico.

UNITED STATES ATTORNEYS

John W. Holland to be United States attorney, southern district of Florida.

Lawrence S. Camp to be United States attorney, northern district of Georgia.

J. Saxton Daniel to be United States attorney, southern district of Georgia.

Joseph M. Donnelly to be United States attorney, western district of Michigan.

James H. Baldwin to be United States attorney, district of Montana.

James O. Carr to be United States attorney, eastern district of North Carolina.

Marcus Erwin to be United States attorney, western district of North Carolina.

Powless W. Lanier to be United States attorney, district of North Dakota.

Emerich B. Freed to be United States attorney, northern district of Ohio.

Francis Canny to be United States attorney, southern district of Ohio.

William R. Smith, Jr., to be United States attorney, western district of Texas.

UNITED STATES MARSHALS

Thomas Gaffney to be United States marshal, division no. 2, district of Alaska.

Adam M. Lewis to be United States marshal, northern district of Florida.

George A. Meffan to be United States marshal, district of Idaho.

John J. Murphy to be United States marshal, district of Massachusetts.

William B. Fahy to be United States marshal, eastern district of Missouri.

William F. Goucher to be United States marshal, district of Rhode Island.

James R. Wright to be United States marshal, northern district of Texas.

Albert A. Sanders to be United States marshal, district of Wyoming.

COMPTROLLER OF CUSTOMS

Ralph W. Wescott to be comptroller of customs, district no. 11, Philadelphia, Pa.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 23, 1934

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

Infinite God, our Father, the Creator and Judge of all the earth; Thou who dost look with mercy on what we are and who reveals what we may be, we pray that Thou wouldst enable us to translate our visions into realities. Grant us largeness of thought, of aspiration, and of liberty. Heavenly Father, may our labors be made musical by the melody of brotherhood. Hearken, O Lord God, we beseech Thee, that with hearts of oak and with breasts of steel our entire citizenship may be summoned in the name of humanity and of good government to cleanse our country of the breeding grounds of crime, which are our greatest public peril. O Thou who art holy and just, we plead for a recovery that shall free our Nation's arteries from these cesspools of iniquity from which come floods of terror, leaving broken hearts and shattered hearthstones in their train. O hasten the dawn of our deliverance. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6670. An act to provide for the establishment of a corporation to aid in the refinancing of farm debts, and for other purposes.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on January 18, 1934, the President approved and signed a joint resolution of the House of the following title:

H.J.Res. 228. Joint resolution to provide for certain expenses incident to the second session of the Seventy-third Congress.

VETERAN RELIEF—ITS RELATION TO CITIZENSHIP

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address delivered before the Chamber of Commerce at Roanoke, Va., January 22, by Brig. Gen. Frank T. Hines, Administrator of Veterans' Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

Mr. WOODRUM. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

Mr. President, members and guests of the Roanoke Chamber of Commerce, I greatly appreciate the opportunity to address you here today, recalling, as I do with much pleasure, my previous visit to Roanoke when I spoke on Armistice Day 1931, before many of your veterans and other citizens of your splendid city. Because of my relation with veterans' affairs, it is but natural that I should choose for discussion with you veteran relief, and

I wish to touch upon a phase of it which has not been given the emphasis I believe it rightly deserves; that is, its relationship to citizenship.

All down through the years from earliest Rome through Elizabethan England and in our own country the problems of veterans' relief has persisted in ever-increasing reverberations, but the emphasis has always been upon the Government's obligation to the veteran, and the matter of the citizen's obligation to his Government has not in my judgment been given the consideration it merits.

I feel strongly that, so far as our country is concerned, there is need for greater interest on the part of our citizens in their own country in the exercise of the rights of citizenship and a more thorough understanding of the machinery of government.

Taken in its full implication the very word "citizen" acquires the dignity of a title. In fact one writer has characterized it as such. He says, "The highest title in the new order of nobility will be neither 'merchant' nor 'scholar', nor yet 'gentleman' in its conventional sense, but 'citizen'—a title rich in its suggestion of public spirit, the recognition of the claims of human brotherhood, the merging of the individual into the higher life of the community, of the Nation, of humanity itself."

However, we are apt to be very casual in our use of this title, giving no thought to the responsibility it connotes. When we say that a man is a citizen of New York, we intend to indicate merely his residence, not his capacity.

Responsibility as a citizen is not a passive one. It is not enough to live our own lives uprightly; it is imperative that we take an active part in the affairs of our community, bringing all our courage and resourcefulness to bear against any evil or unfortunate occurrences which may arise; and in the face of such conditions it is necessary to consider one's self not merely as a citizen of the immediate community but as an integral factor in the welfare of the whole country.

It is this particular attitude that I have in mind in relation to our veterans. For many months past so much has been uttered and written on the subject of veteran relief, voicing deprecation of the burden of its maintenance, the subject had come to be looked upon in many quarters almost as a national grievance, and demands for alleviation of this burden upon the taxpayer grew increasingly insistent and vociferous until the enactment by Congress of the act to maintain the credit of the United States and Public, No. 78. These acts, as most of you no doubt are aware, gave the President broad powers of regulation governing veteran relief and specified certain reductions in payments to veterans and their dependents. Revision of the laws has been effected upon sound principles and comprehending the character of military service, equality in benefits for similar service, consideration of the degree of disability sustained, and financial need for Government aid where direct service origin is not a factor.

It is interesting to note that after the application of the provisions of these new regulations there are still upon our rolls over half a million living veterans and the dependents of over 265,000 deceased veterans who are in receipt of monthly pensions, and 47,000 veterans still remain in our hospitals and homes. Liberalizing regulations approved by the President just last week will serve to increase these totals.

All men who acquired their disabilities in the military or naval service, as well as the dependents of those whose deaths are due to their service, will continue to be adequately cared for, while others of the more seriously disabled veterans are entitled to either a pension, hospital, or domiciliary care.

However, benefits and medical care are now restricted as regards veterans whose partial disability is in no way due to their service; and this procedure, which is in direct consonance with the earliest traditions and customs of our country, coincides with the popular demand of today as influenced by the exigencies of the major national emergency through which we have been passing. Previous to the passage of this legislation and the President's action, hundreds of letters came to me from all over the country voicing strenuous objection to payments being made to veterans who saw no actual combat service; veterans who were able-bodied enough to care for themselves; veterans legally rated as partially disabled, yet able to follow employment requiring physical fitness; and, finally, objection to the domicile in national homes of veterans in receipt of the maximum rate of pension.

It was quite evident that the general feeling was that since thousands of other citizens of our country also were in need of aid through no fault of their own, the veterans who were not disabled by reason of their service should revert to their original status of citizens and meet their difficulties in that capacity along with the others.

It is in such circumstances as these that the true character of citizenship is best manifest. It is quite generally conceded, I believe, that the highest duty and privilege of citizenship is service to one's country in time of great emergency, and it is quite as necessary for us to recognize a national emergency when it occurs in time of peace as when it involves war with another nation. We are passing through just such an emergency, and each difficulty must be met with courage and patience, and a steadfast determination to win through—which shall persist in spite of all obstacles, for we shall win through. America has never failed or quite, and she will not do so now, but whatever is accomplished under the wise and courageous leadership of our President must be achieved by the united and devoted efforts of all the citizenry.

There has never been a time in the history of our country when patriotism and unselfish consideration of the welfare of the coun-

try as a whole was more urgently needed than it is today, and it behooves each of us to give earnest consideration to his or her attitude and endeavor as a citizen.

We are apt to take our patriotism for granted and our citizenship as a status rather than as a personal responsibility, but to be effective in either, we should be constantly active, vigilant, and diligent. Patriotism is not a thing to don like a garment in peace time or to buckle on like a sword in time of war, but must be innate and permanent, not superficial or transitory. Patriotism we see as the very basis of good citizenship. It comprehends and connotes love of country and reverence for its laws; recognition of civic duties; and, defense of country in time of war, not alone as a duty but as the highest privilege of citizenship in fulfillment of an acknowledged obligation to the Government for benefits and protection enjoyed as a citizen.

Service to one's country cannot be evaluated in dollars and cents, but should be spontaneous, without thought of reward. Neither can our gratitude to those who served be rated in such a manner. To the veteran who comes through war unscathed, suffering no impairment, the Government owes its gratitude but—until the time comes, if it should, when assistance is needed—nothing more than it owes to any other loyal citizen. We take pride in providing care and relief for those who have become disabled as the result of rendering war service, but we should as a Nation take equal pride in not seeking Government relief unless we need it.

The principle that service to one's country must thereafter be rewarded by the country, irrespective of need, is contrary to the most elementary tenets of good citizenship, but such expectation with increasing fulfillment has been so widely prevalent after each war in which we have engaged, it has finally attained the prestige of a tradition. We need to get back to that community of interest and ideals upon which our country was founded—based upon the principle that the welfare of the individual was assured only by the welfare of the group. The instinct of self-preservation—aside from any sentiment—taught our forefathers the necessity of standing together. We need to get back to that unity of purpose which perforce held the Colonies together against the menace of outside foes.

We think of ourselves too much only as individuals instead of units in a social whole and correspondingly visualize and pursue our interests more or less selfishly, oblivious of the community of interest which should prevail. There is a clear call to us all today in the conditions which have become more and more prevalent, constituting a menace not only to our ideals and traditions but actually to our security as a nation. On every hand we hear or see evidence of unrest or disregard for the laws of the land, of this or that racket, and one of the most disturbing features prominent in these conditions is the fact that so many of the participants are the young. Someone has said, "The worst that war has done is not the murder of a million bodies but the maiming of a million souls"; and when we stop to consider the moral deterioration that has developed among the youth of the country for lack of schooling, occupation, home care, and employment, we must realize that the maiming of these millions of souls is comparable to the devastation of war. This unrest is not going to be stilled except by a conscientious, deliberate, and determined effort on the part of the citizenry.

Perhaps some of you are even now asking yourselves, "What can I do about it?" and I assure you there is need for each of us to do something very definite about it if we are to fulfill our duties and avail ourselves of our privileges as citizens. There is need for a new spirit of public service and unselfishness that will predominate and so bring about the overthrow of the self-seeker and the greedy—a new and higher standard of civic relationship and civic responsibility.

A good citizen mindful of his country's tradition should consider the significance of its position among the nations of the world as well as its potentialities as an individual nation and, building day by day on this background, assist in preserving the integrity and prestige of his government.

That this responsibility is being widely neglected is evident on every hand. Disregard of law, ridicule of our Congress, of the judiciary, and other men in high public office are prevalent, all of which tend to destroy that confidence in those responsible for the machinery of our Government, which, if carried to the extreme, will undermine the very foundations of good government.

We all know that the American people are much attached to their Government and in every great emergency they have come forward to its defense in the fullest measure. Yet in time of peace, the tendency is to belittle, and interest wanes in those fundamentals of good Government that are essential to its progress and stability. If we are to continue as the great Nation that we have a right to be, it is necessary that there be developed among our people a greater interest in public affairs, a greater appreciation of the value of citizenship.

Patriotism should be an integral part of our every feeling at all times, for it is merely another name for those qualities of soul which make a man in peace or in war, by day or by night, consider his duty to his fellows, and to the Nation through which his and their loftiest aspirations may find fitting expression.

Young America should be taught to love America, to support its Constitution and its laws; to learn that the violation of its laws is desecration of all that is good, and destructive of those high ideals fought for by the fathers of our Nation. Next to love of country should come respect for our institutions and for those who are charged with the responsibility of government. It is equally important, of course, that those selected for public

service should be able to command the confidence essential to inspire proper respect.

However, all these ideals and principles should have their inception in the home and be fostered to the utmost in the schoolroom. I am afraid we expect too much from our teachers in comparison with the compensation and position awarded them. It is of the utmost importance that the initial impression given to the children of America emanate from teachers whose ideals are based upon the true ideals of Americanism, and they should receive salaries commensurate with their responsibilities.

I am of the opinion that the responsibilities patiently and capably borne by the teachers of America are greatly underestimated by the public generally—and certainly as a class they are notoriously underpaid. That the entire educational system of our country has been seriously affected by the prevailing conditions is indicated in the results of a country-wide survey made by the United States Commissioner of Education showing that 800 public schools are closed entirely and 11,000 are operating on a school year of less than 6 months.

When we realize that the entire number of schools operating on full schedule is so utterly inadequate to care properly for the youth of our country, the spectacle of these silent schoolrooms is little less than appalling. There is no activity of our country of greater or more far-reaching importance than efficient functioning of the school. Citizenship is born there. Opportunity and facilities for at least a high-school education should be available to every child in the United States, and it should be so completely and freely accessible that no boy or girl need be deprived of its benefits for lack of textbooks or other necessary school supplies. There is no question but that schools are the very foundation of our citizenship and what young America is taught in them will be the basis of what they do and say later in life.

Notwithstanding our vast and varied national endeavors, I believe the Federal Government has had too little active participation in the function of education, and it is highly gratifying to note indications that under the present administration the scope of Federal participation in educational matters may be broadened, and its activities increased.

Two definite steps in this direction are seen in the educational work now being conducted in the Civilian Conservation Corps, and in the recent establishment of the National Workers' Education Bureau. In the Civilian Conservation Corps, educational advisers will determine at first hand the desires and needs of the corps in educational matters, and efforts will be made to provide such instruction as the members of the corps will be able to acquire in what would otherwise be their idle time, evenings, and rainy days when the regular outdoor work cannot be carried on. The National Workers' Bureau is providing summer courses for workers, and special instruction for the teachers to train them to meet the workers' needs, for instruction in English, social science, current economic problems, and all those things that are closely related to their daily lives.

In a word, the National Workers' Bureau hopes to prepare these young people for intelligent citizenship by giving them a comprehensive knowledge of what is going on around them in social, industrial, and economic activities, and teaching them to think for themselves.

The work is projected through State superintendents of education, and the classes are held in public schools in the regular vacation periods. I feel that this is a highly important work, holding unpredictably splendid possibilities for the future, and I, for one, shall follow the results of its efforts with intense interest.

I feel most earnestly that every step of our educational progress should be outlined in a definite national policy which would include practical instruction in the machinery of government—civic, State, and national—and in order that all educational activities of the country might be properly coordinated, the Government's policy should prescribe minimum requirements which would need to be met by all States wishing their educational programs to be accredited under the Federal system.

We are prone to manifest much pride in our institutions of learning; and while this pride is a worthy one, I do not feel that we are doing nearly enough in the way of education. We have not nearly enough schools; and in those that we have, we do not give our young people adequate preparation for the business of living. Education has been defined as "preparation for the art of living", but, too often, it is merely a sort of intellectual interior decorating.

Education should furnish a definite pattern for living, at least outlining something of the mechanics and technique of that most intricate process; and, with all the cultural embellishment that a boy or girl can and will absorb, there should be always a definite groundwork of some craft, trade, or profession through which they may not only be able to obtain a livelihood but contribute something of practical usefulness to the community of which they are a part. In other words, they should be taught how to be good citizens.

To be a good citizen requires the closest possible adherence to the ideals of Americanism, loyalty in the utmost to those responsible for government, obedience to the laws of the land, and cheerful performance of any public duty required.

We see today entirely too many manifestations of a spirit that is the antithesis of good citizenship. Are we to conclude that the existence of such conditions indicates lack of solidarity in American life; and, if so, must we blame that lack on our long adherence to the melting-pot policy conceived in unselfishness and pursued in the development of that freedom which is the cornerstone of our national structure? Is this precious and dearly

bought freedom degenerating into a laxity that is penetrating and polluting the most vital elements of our national life?

The economic depression has been a fertile field for these elements to prosper, and with such fertilization discontent has spread, with acute occurrences, in this country as well as many others, and these occurrences, while sporadic and more or less transitory in character, are not to be ignored with impunity.

Never before has there been greater need or greater opportunities for the manifestation of Americanism, inviolate and militant, to combat and neutralize the activities and influence of antagonistic forces which would destroy the very fabric of our social structure and tear down the ideals we have reared through the years of our development. Our country was founded on certain great principles fundamental in character. It seems to me in times like those through which we are passing, it is imperative to consider these principles and see to it that we shape our lives in accord with them.

The form and functions of our Government are the result of the independent activity and thought of the people, but with the lapse of time we have settled back into our own more restricted lines of endeavor, leaving the activities of the Government in the hands of a few who have made such matters more or less their life work. It is time that we not only participate individually and actively in the various functions of our civic and national life, but it is more than time that we should establish a definite system, national in scope, which should insure the proper education and preparation of our youth for such eventual duties.

There is a close relationship between education, citizenship, and veterans' relief. The fact that we have a veterans' problem to deal with is due to the fact that we have had either national or international conflicts, which have made it necessary that our citizens be called to the colors. It may be too much to expect within a reasonable time, even with a perfect system of education and the development of the highest type in the standards of citizenship, that we should be able in the future to avoid such conflicts. It is the sincere desire, most certainly, of those who have served in previous conflicts that we may reach such a point. Most assuredly we should make every endeavor to do so.

For these reasons I have developed in this talk to you the matter of education and citizenship, because I feel that there is a marked and direct relationship that will have a most important influence on the future of our country as well as of the other nations of the world.

And now, my friends, before I bid you good night, I wish to thank you for your attention. I earnestly hope that some of you may perceive as a result of these remarks new opportunities for service to your fellow men in your community and that together we may strive hopefully on, keeping ever in mind that ideal, so aptly phrased by the immortal Tennyson:

"Ah! when shall all men's good
Be each man's rule, and universal peace
Lie like a shaft of light across the land,
And like a lane of beams athwart the sea,
Thro' all the circle of the golden year?"

TO PROHIBIT EMPLOYEES OF NATIONAL POLITICAL COMMITTEES FROM HOLDING GOVERNMENT POSITIONS

Mr. TRUAX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRUAX. In that time, Mr. Speaker, I ask the Clerk to read a resolution which I have sent to the desk.

The Clerk read as follows:

House Joint Resolution 241

To prohibit members and employees of any national political committee from holding Government positions

Resolved, etc., That no officer, member, or employee of a national committee of any political party shall be eligible to hold any Government position, directly or indirectly, under the jurisdiction of any department, bureau, board, commission, or independent agency of the Government.

CALENDAR WEDNESDAY

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday be dispensed with tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

IMPEACHMENT OF FEDERAL JUDGE IN MINNESOTA

Mr. SHOEMAKER. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SHOEMAKER. Mr. Speaker, on yesterday I introduced a resolution to impeach a Federal judge in the State of Minnesota for enjoining the State of Minnesota from

investigating blue-sky stock transactions by a banking group headed by Wiggins' Chase National Bank of New York. Yesterday afternoon this same judge issued an additional injunction restraining Hennepin County, the county in which the city of Minneapolis is located, from going ahead to investigate stock sales that have been put over. Stock which sold to the people of the State of Minnesota at millions of dollars, at \$100 a share, are now selling at \$6 a share. Our blue-sky commission started an investigation of stock sales in the State of Minnesota, and this Federal judge has enjoined them from going ahead, either criminally or civilly, against those robbers.

I ask unanimous consent, Mr. Speaker, to introduce into the RECORD another telegram which I received this morning setting forth the later injunction which followed the original, issued several days ago.

The SPEAKER. Without objection, it is so ordered. There was no objection.

The telegram referred to is as follows:

F. H. SHOEMAKER,
1005 House Office Building,
Washington, D.C.:

Additional injunction today restraining Hennepin County Attorney Goff from starting any action against Northwest Bancorporation. Such proceedings by bank corporation are an admission of guilt. If you can follow suggestions, you will render Minnesota a service. Can you put it over? Answer.

S. T. WOLFE.

NAVY DEPARTMENT APPROPRIATION BILL—FISCAL YEAR 1935

Mr. AYRES of Kansas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H.R. 7199) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1935, and for other purposes; and pending that motion I should like to ask the gentleman from Pennsylvania [Mr. SWICK] if we cannot agree now upon some limit for general debate. I may say to the gentleman from Pennsylvania that I have made inquiry of the timekeeper and found that the gentleman from Pennsylvania [Mr. SWICK] has used 2 hours and 31 minutes, and we have used 2 hours and 14 minutes on this side. I am hopeful, if it meets with the approval of the gentleman from Pennsylvania, that we can agree on 2 hours and 15 minutes, 1 hour to be controlled by the gentleman from Pennsylvania and 1 hour and 15 minutes by myself.

Mr. SWICK. That will be perfectly agreeable to this side.

Mr. AYRES of Kansas. Then, Mr. Speaker, I ask unanimous consent that general debate on this bill continue for 2 hours and 15 minutes, 1 hour to be controlled by the gentleman from Pennsylvania [Mr. SWICK] and 1 hour and 15 minutes by myself.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Kansas [Mr. AYRES].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H.R. 7199, the Navy Department appropriation bill, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

Mr. AYRES of Kansas. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I wish to commend Mr. Arthur Brisbane for statements under his signature, appearing in the newspapers of the country on yesterday morning. I will read what Mr. Brisbane said:

Once more be it said, the Government, instead of insisting on bond issues and gigantic interest payments, could and should issue its own currency and pay bills with that. The Government's promise to pay, on green paper bearing no interest would be exactly as good as its promise to pay—plus interest—on yellow paper, and issue currency, instead of a crippling bond issue would help Government credit. A Government, free of a four or five hundred million dollar annual interest load, would have better

credit than with that annual interest burden added to its other obligations.

Who are the congenital usurers, money lenders, and interest grabbers that persuade the President to issue bonds, instead of currency? If the currency would be "inflation" then the bonds would be inflation, plus the added inflation of ten billions in interest charges, added to the ten billions of principal, before the debt could be paid off. An unnecessary interest burden might be the last straw on Uncle Sam's back, leading to a real smash and a dollar really cheap.

In truth and in fact, the Government's interest burden this year will amount to approximately a billion dollars. So Mr. Brisbane raises this question: Why should the Government pay that billion dollars in interest? I want to quote in substance what Mr. Edison said a few years ago when he was asked to go to Muscle Shoals and inspect that project for Mr. Henry Ford, who was contemplating leasing it from the Government for 99 years.

While he was at Muscle Shoals, the New York Times quoted this recognized man of genius and wonderful inventor, whose analysis will be respected by everyone, as follows:

If the currency is issued, \$30,000,000, for financing the finishing construction of Muscle Shoals work, it will be the proper thing to do. Once the currency method is tried in raising money for public improvements, the country will never go back to the bond method.

Make it perfectly clear that I am not advocating any changes in the banks and banking. Banks are a mighty good thing. They are essential to the commerce of the country. It is the money broker, the money profiteer, the private banker, that I oppose. They gain their power through a fictitious and false value given to gold. Gold is a relic of Julius Caesar, and interest is an invention of Satan.

Gold is intrinsically of less utility than most metals. The probable reason why it is retained as the basis of money is that it is easy to control. And it is the control of money that constitutes the money question. It is the control of money that is the root of all evil.

Gold and money are separate things, you see. Gold is the trick mechanism by which you can control money.

Gold is not money until the people of the United States and other nations put their stamp of approval on it. It is not the gold that makes the dollar. It is the dollar that makes the gold. Take the dollar out of the gold, and leave it merely yellow metal, and it sinks in value. Gold is established by law, just as silver was, and gold could be disestablished, demonetized by law, just as silver was. When silver was demonetized the former so-called "dollar" became worth about 50 cents.

There is a complete set of misleading slogans kept on hand for outbreaks of common sense among the people. The people are so ignorant of what they think are the intricacies of the money system that they are easily impressed by big words. There would be new shies of fiat money, and paper money, and greenbackism, and the rest of it—the same old cries with which the people have been shouted down from the beginning.

But maybe we have passed beyond the time when the thoughtful 2 percent—you know, I gather from my questionnaire that only 2 percent of the people think [and Mr. Edison smiled broadly]—maybe they cannot shout down American thinkers any longer. The only dynamite that works in this country is the dynamite of a sound idea. I think we are getting a sound idea on the money question. The people have an instinct which tells them that something is wrong, and that the wrong somehow centers in money. They have an instinct, also, which tells them a proposal is made in their interest or against them.

Now, as to paper money, so-called; everyone knows that paper money is the money of civilized people. The higher you go in civilization the less actual money you see. It is all bills and checks. What are bills and checks? Mere promises and orders. What are they based on? Principally on two sources—human energy and the productive earth. Humanity and the soil—these are the only real bases of money.

Do not allow them to confuse you with the cry of "paper money." The danger of paper money is precisely the danger of gold—if you get too much, it is no good. They say we have all the gold of the world now. Well, what good does it do us? When America gets all the chips in a game the game stops. We would be better off if we had less gold. Indeed, we are trying to get rid of our gold to start something going. But the trade machine is at present jammed. Too much paper money operates the same way. There is just one rule for money, and that is to have enough to carry all the legitimate trade that is waiting to move. Too little or too much are both bad. But enough to move trade, enough to prevent stagnation on the one hand and not enough to permit speculation on the other hand, is the proper ratio.

Then you see no difference between currency and Government bonds? Mr. Edison was asked.

Yes; there is a difference, but it is neither the likeness or the difference that will determine the matter; the attack will be directed against thinking of bonds and currency together and comparing them. If people ever get to thinking of bonds and bills at the same time the game is up.

Now here is Ford proposing to finance Muscle Shoals by an issue of currency. Very well; let us suppose for a moment that Congress follows his proposal. Personally I don't think Congress has imagination enough to do it, but let us suppose that it does. The required sum is authorized—say \$30,000,000. The bills are issued directly by the Government, as all money ought to be. When the workmen are paid off they receive these United States bills. When the material is bought it is paid in these United States bills. Except that perhaps the bills may have the engraving of a water dam instead of a railroad train and a ship as some of the Federal Reserve notes have, they will be the same as any other currency put out by the Government; that is, they will be money. They will be based on the public wealth already in Muscle Shoals; they will be retired by the earnings of the power dam. That is, the people of the United States will have all that they put into Muscle Shoals and all that they can take out for centuries—the endless wealth-making water power of that great Tennessee River—with no tax and no increase of the national debt.

But suppose Congress does not see this, what then? Mr. Edison was asked.

Then Congress must fall back on the old way of doing business. It must authorize an issue of bonds. That is, it must go out to the money brokers and borrow enough of our own national currency to complete great national resources, and we must pay interest to the money brokers for the use of our own money.

That is to say, under the old way, any time we wish to add to the national wealth we are compelled to add to the national debt.

Now, that is what Henry Ford wants to prevent. He thinks it is stupid, and so do I, that for the loan of \$30,000,000 of their own money the people of the United States should be compelled to pay \$66,000,000—that is what it amounts to with interest. People who will not turn a shovelful of dirt nor contribute a pound of material will collect more money from the United States than will the people who supply the material and do the work. That is the terrible thing about interest. In all our great bond issues the interest is always greater than the principal. All of the great public works cost more than twice the actual cost on that account. Under the present system of doing business we simply add 120 to 150 percent to the stated cost.

But here is the point: If our Nation can issue a dollar bond, it can issue a dollar bill. The element that makes the bond good makes the bill good also. The difference between the bond and the bill is that the bond lets the money brokers collect twice the amount of the bond and an additional 20 percent, whereas the currency pays nobody but those who directly contribute to Muscle Shoals in some useful way.

If the Government issues bonds it simply induces the money brokers to draw \$30,000,000 out of the other channels of trade and turn it into Muscle Shoals; if the Government issues currency, it provides itself with enough money to increase the national wealth at Muscle Shoals without disturbing the business of the country. And in doing this it increases its income without adding a penny to its debt.

It is absurd to say that our country can issue \$30,000,000 in bonds and not \$30,000,000 in currency. Both are promises to pay; but one promise fattens the usurer, and the other helps the people. If the currency issued by the Government were no good, then the bonds issued would be no good either. It is a terrible situation when the Government to increase the national wealth, must go into debt and submit to ruinous interest charges at the hands of men who control the fictitious values of gold.

Look at it another way. If the Government issue bonds, the brokers will sell them. The bonds will be negotiable; they will be considered as gilt-edged paper. Why? Because the Government is behind them, but who is behind the Government? The people. Therefore it is the people who constitute the basis of Government credit. Why then cannot the people have the benefit of their own gilt-edged credit by receiving non-interest-bearing currency on Muscle Shoals, instead of the bankers receiving the benefit of the people's credit in interest-bearing bonds?

The people must pay anyway; why should they be compelled to pay twice, as the bond system compels them to pay? The people of the United States always accept their Government's currency. If the United States Government will adopt this policy of increasing its national wealth without contributing to the interest collector—for the whole national debt is made up on interest charges—then you will see an era of progress and prosperity in this country such as could never have come otherwise.

I wish every Member of Congress—House and Senate—would take the time to read this statement carefully. It is the best statement on the important issues before the people today that I have ever read.

PAY NATIONAL DEBT WITH NEW MONEY

I know that if you were to make the statement here this morning that we could issue \$22,000,000,000 in money and take up all the Government bonds, many of our people would be alarmed and say: "Why, that will call for \$220,000,000,000 of inflation; it will absolutely destroy our country." And according to the present banking set-up that argument could not be satisfactorily answered. It could cause, I admit, a potential inflation of \$220,000,000,000. But there is a way of correcting this situation. We could pay off the na-

tional debt, if it were desired, and not have a dollar of inflation. Here is the way I would do it if it were within my power to do it. At least, I can suggest how it may be done.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. SHALLENBERGER. Did the gentleman mean to state \$220,000,000,000?

Mr. PATMAN. Yes. Twenty-two billion dollars is the amount of our national debt and the banks can expand each dollar 10 times, so this could call for a potential inflation of \$220,000,000,000. The banks can lend \$10 to every \$1 of actual money in their possession.

Today we have in circulation, theoretically, \$5,000,000,000 in money. The banks of the country hold less than \$1,000,000,000 in their vaults to pay their depositors, but that is not all the money they have. They have approximately \$2,000,000,000 with the Federal Reserve System that they can get very quickly for the purpose of paying their depositors. The banks owe their depositors approximately \$40,000,000,000.

Now, suppose we were to adopt a program of gradually retiring the national debt with new money—and it should be done gradually; it should not be done quickly—in the end we will have paid \$22,000,000,000 to the holders of Government tax-exempt interest-bearing bonds. They will get this payment in new money. This money will go very quickly to the banks in the country and be deposited. Then instead of the banks having on deposit \$40,000,000,000 they will have on deposit \$62,000,000,000; and instead of having \$3,000,000,000 with which to pay those deposits they will have \$25,000,000,000, a ratio of 1 to 2½.

As you issue this money and put it in circulation you can prevent inflation by raising the reserve requirements of the banks, so you can say then that no bank can issue more than \$2.50 for every \$1 of reserve; and there would not necessarily be any undue inflation at all. Why should there be? As you increase the volume of money you raise the reserve requirements of the banks. You can absolutely prevent undue inflation; and then instead of people having to rely upon borrowing money from the banks and paying interest on it they could have sufficient money for hand-to-hand transactions and not be reduced to barter.

MONEY FOR TRADE AND PRODUCTION

Furthermore, the people who hold \$22,000,000,000 in bonds when they receive this money will want to put it to some useful purpose. In order to do this they will have to invest it; it will be forced into the channels of production and trade rather than being invested in tax-exempt interest-bearing bonds.

WHAT IS THE ANSWER?

Now, if there is any answer to this argument, I wish somebody would make it. I have heard this question discussed all over the country by the greatest economists and financiers, and I have every reason to believe that it is sound. I see no reason why it is not sound.

Why should the Government pay interest on its own obligations? Think of the inconsistency of the Government issuing a \$1,000 bond and selling it to a bank here in Washington, and the bank in Washington taking the same bond, which is a debt that is secured by the credit of this Nation, to the Treasury, and getting \$1,000 in new money, with the exception of 5 percent that is left there as a reserve.

SECURITY BEHIND MONEY

What secures this new money? Nothing on earth except the Government obligation, which is a Government debt. In other words, the money is issued upon a debt of the Government. So why issue that bond? Why not issue the money and let it be paid directly, for upon it there will be no interest? Let me repeat, Why issue a bond, sell the bond, and then issue money upon the bond or collateral security? Why not issue the money in the first instance?

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. O'CONNOR. The gentleman is touching upon a subject to which some people in this country have given a great deal of thought—why the Government should pay interest on its obligations. Some of our best economists cannot understand that, because the Government can take the money. Furthermore, the people are more concerned with the return of principal than they are with the earning of interest, especially after the experience of recent years. Now, instead of retiring the national debt by new currency, why should not the Government educate the people of America to take its obligations without interest? Because many people cannot understand why the Government ever should pay interest on its obligations. However, I could not go as far as the gentleman in issuing currency. Why could not the Government reissue obligations without interest?

Mr. PATMAN. What is the difference in the main? The gentleman says he would be willing for the bonds to be issued without interest. They are negotiable; they will be used as money.

Mr. O'CONNOR. They might be termed bonds. They might not be redeemable out of the Treasury for certain periods of time, unlike currency.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. KVALE. Will the gentleman tell the Committee what he thinks is the essential difference between small, non-interest-bearing bonds in circulation and currency of like denomination?

Mr. PATMAN. There is no difference except this: If currency is issued it may be used by the banks for the issuance of additional deposit currency while the bonds could not be used for that purpose.

There are many ways in which we can do this, either by the issuance of bonds of small denomination, non-interest-bearing bonds, or the issuance of money. Regardless of what you call the obligations so issued, the same principle is involved. The people do sufficient business with the Government to safely authorize such currency issue to be redeemable in services or used for taxpaying purposes. It could be made good for the purchase of stamps or any kind of mail service, payments due the Reconstruction Finance Corporation, taxes due the Treasury, including income, inheritance, alcoholic beverage, gasoline, check, and tobacco, and for many other purposes.

FEDERAL RESERVE BANKS

I want to say a word about the Federal Reserve System. The Federal Reserve member banks have never invested more than \$160,000,000 in the System. It cannot be claimed that they have been doing the enormous business they have on that small capitalization. This is insignificant; it is nothing compared to the fifty to one hundred billion dollars worth of business done by these institutions. Mr. W. P. G. Harding, Governor of the Federal Reserve Board, on June 28, 1922, testified before the Banking and Currency Committee of the House, and in this testimony he made certain statements.

Mr. Chairman, I ask unanimous consent to insert as a part of my remarks certain extracts from his testimony, as well as Mr. Edison's quoted statement.

The CHAIRMAN. Is there any objection to the request of the gentleman from Texas?

There was no objection.

SPECIAL PRIVILEGES

Mr. PATMAN. He testified that the member banks had only invested some 3 percent of their capital and surplus in the Federal Reserve banks. They were not required, as contemplated by the law, to invest at least 6 percent, and Mr. Harding stated that it is not the intention of the Federal Reserve Board to ever call upon those member banks for the other 3 percent because the Federal Reserve banks do not need it. Why? Because they are backed by the credit of this Nation. Every Federal Reserve note that they have issued is not redeemable by the Federal Reserve banks. No. They do not promise to redeem them. Those notes are redeemable by the Government of the United States. It is

a mortgage on all the property of all the people of this Nation. It is a mortgage on all the incomes of all the people. It is a blanket mortgage. They get the benefit of the Government credit; therefore it enables them to do business on this very small, insignificant capitalization. They also use this great privilege free of charge and pay no taxes, except on the small amount of real estate they own.

The Federal Reserve banks during the last 2 or 3 years have purchased \$2,437,000,000 worth of Government securities. This is the amount that they held at the end of December. What did they buy those securities with? They bought those securities with Government credit; they bought Government obligations with Government credit, and the Government is paying the Federal Reserve banks interest on obligations that were bought with the credit of the Government. Is that right? Can you justify it? Is there any way on earth that you can give an excuse for that kind of thing? You cannot. There is no way to do it. The Federal Reserve banks will get enough each year as interest on those bonds to pay one half their entire paid-in capital stock. In other words, the equivalent of a 50-percent dividend is given to them each year on Government obligations alone and not have their \$160,000,000 invested at all. There is no way for you to give a reasonable excuse for the continuance of such a situation.

TAKE OVER FEDERAL RESERVE SYSTEM

The Federal Reserve banks, I believe, should be taken over by the Government. I think the activities of the Federal Reserve banks and the Reconstruction Finance Corporation should be coordinated in some way so that the credit of this great Nation can be used in the interest of all the people instead of allowing it to be used for a special few.

[Here the gavel fell.]

NATIONAL INCOME FELL 40 PERCENT IN 4 YEARS

The Bureau of Foreign and Domestic Commerce of the Department of Commerce has just made public a report showing that total income distributed to individuals throughout the Nation was \$81,000,000,000 in 1929, but dropped to \$49,000,000,000 in 1932, a decline of 40 percent.

Wages have suffered most severely in the general decline since 1929, with a falling off of 60 percent in those industries in which it was possible to segregate this item. Salaries dropped 40 percent, much less rapidly than wages, with the most severe curtailment occurring in 1932.

A significant divergence in declining trends is apparent as between labor income and property income; by 1932 the former had fallen off 40 percent, while property income distributed receded by 30 percent.

Wages totaled \$52,867,000,000 in 1929; \$48,688,000,000 in 1930; \$41,027,000,000 in 1931, and \$31,595,000,000 in 1932.

Income distributed by agriculture dropped from \$6,341,000,000 in 1929 to \$3,442,000,000 in 1932. In mining the drop was from \$2,123,000,000 in 1929 to \$851,000,000 in 1932. The figures for manufacturing were \$18,157,000,000 in 1929 and \$8,373,000,000 in 1932, while income paid out by construction decreased from \$3,135,000,000 in 1929 to \$864,000,000 in 1932.

INTEREST PAYMENTS REMAIN STATIONARY

On the other hand, interest payment remained almost stationary during the 4 years of the report, being \$5,687,000,000 in 1929, \$5,826,000,000 in 1930, \$5,662,000,000 in 1931, and \$5,506,000,000 in 1932. This part of the report shows that the people will meet their contractual obligations if it is at all possible for them to do so. It further shows that there was more money paid out each of the years for interest than there was actual money in circulation.

Mr. CARY. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman, next to the group of persons who spend all of their time thinking up ways to exploit the consumer, I believe the most dangerous are those who, under the guise of protecting the consumer, attempt to destroy honest industry. In the latter group are those who write books for personal profit exposing industry.

On behalf of the consumer these self-appointed protectors, who, as far as is known, have contributed nothing to

the progress of this country, would with one stroke destroy industry and set themselves up as the supreme court to render decisions as to the worth of consumer products.

Strange as it may seem, I believe that a very large part of our manufacturers who make goods for public consumption are honest and have the consumer's interest at heart. How could they survive and prosper if they did not please the consumer? After all, merit is the gage of consumer acceptance.

I do not believe in discontinuing the service of advertising, for it is through this service that the consumer is kept informed and publications maintain their high standards. It may be necessary to control advertising to some extent, but it must not be killed as a consumer's service.

There has been an inspired clamoring for food and drugs legislation. To bring this about a few horrible examples of bad products and trade practices have been exhibited throughout the country by a Government department. A considerable sum of money has been expended in this campaign to stir up a feeling against our present Pure Food and Drugs Act, which is recognized by legal authorities throughout the world as an effective measure for consumer protection. Other countries have studied this law and have used it as a model for their food and drugs laws.

Yet the public would be led to believe that they have been unprotected; that they have been victims of a conspiracy on the part of food and drugs manufacturers to flood the country with deleterious products and poisonous foods. The fact is that no country in the world has a higher standard for food and drugs than has the United States.

Ownership of the industries in this group is represented by thousands of consumer stockholders. They give employment to millions of consumers in their own and allied industries. Millions have been invested by these industries in research and methods to improve their products and to bring them to the public conveniently and fresh.

It is difficult to believe that opponents of the suggested drastic legislation are all disreputable and dishonest manufacturers. They do have a selfish interest, perhaps, just as those zealots who write books for profit have a selfish interest. If the latter succeed in killing the service of advertising, the public would depend upon them for information about products of every description.

Let us have food and drug legislation that will stamp out fakes, frauds, parasites, deceivers, but let us have legislation that is not only fair to the public but to the people who try to do business with the public. Let us amend the Food and Drugs Act and let us have a Food and Drug Administration that can enforce the law and not one that spends so much of its time drafting and lobbying for new legislation designed to put honest industry in a strait-jacket.

PENDING FOOD AND DRUG LEGISLATION

One question involved in the dispute over proposed new food and drug legislation is whether we shall have legislation by Congress and enforcement by courts, as now, or legislation and enforcement by a Government officer in the Department of Agriculture.

The Federal food and drugs law was enacted in 1906. It prohibits the shipment or sale in interstate commerce of adulterated and misbranded food and drugs. Under it, the Government has instituted over 22,000 cases, and truthfulness on packages, labels, and circulars has, in the main, been achieved.

A criticism of the existing law is that it does not apply to advertising—that a manufacturer may make claims through the press and over the radio that he does not and cannot make on cartons and labels. It is easy to understand this criticism. Legislation to curb it seems necessary, although the codes of the various industries affected provide for such control.

Another complaint of the present law is that it does not apply to cosmetics, which have developed into a major industry since the law was enacted.

Instead of offering amendments to the existing law to effect changes in these various respects, or instead of a new bill to meet the same purposes, the Department of

Agriculture brought out and sponsored a bill to repeal the existing law, change the entire theory underlying it, and set up a new, intricate, and involved law which would vest in the Secretary of Agriculture broad and almost unsupervised legislative, executive, and judicial powers. It is known as the "Tugwell bill."

Briefly stated, the criticism of the Tugwell bill is that it is a skeletonized bill which defines in general, broad terms, spheres of authority, and then empowers a Government officer, by regulations of his own making, to round out and expand (1) the legislative provisions of the bill, (2) the executive powers, and (3) the judicial functions.

The bill was heard before a subcommittee of the Senate Committee on Commerce in Washington on the 7th and 8th of last December. Many witnesses, representing publishers, advertising agencies, manufacturers of foods, drugs and cosmetics, trade associations, women's clubs, other groups, and the public, spoke in opposition to the bill as drawn. With few exceptions, if any, the speakers declared their agreement with the avowed purposes and aims of the bill, and addressed their criticisms to specific provisions of the proposed legislation.

THE REVISED TUGWELL BILL (S. 2000)

On January 4 Senator COPELAND introduced in the Senate a new bill drawn in the light of criticisms and suggestions expressed at the hearings. This new bill, identified as Senate bill no. 2000, is evidence of the validity of many of the criticisms made of the Tugwell bill.

The Copeland bill is a revision of the Tugwell bill, which it has followed, section for section. In some sections the language is retained.

The substantive provisions of the old bill are changed somewhat in the new bill. As in the case of the original Tugwell bill, the purpose and effect of this new measure can be stated in a few words: (1) Bureaucratic domination and control of the food, drug, and cosmetic industries is retained, hidden somewhat, but any careful analysis of the new bill discloses this fact; (2) it is even more adapted to the prevention of self-administration of drugs than if the original bill had been enacted; (3) there are more complete provisions to secure a reversal of existing court decisions than are found in the original bill; (4) the regulations of advertising is to be transferred to the Department of Agriculture and in as great an extent as in the original bill. Publishers and advertising agencies are still permitted to evade responsibility by turning State's evidence.

The purpose and effect of the revised Tugwell bill insofar as its substantive provisions are concerned are the same as the original.

The procedural provisions of the revised Tugwell bill are changed in some particulars.

There has been retained in the new Tugwell bill the provisions of the old bill relating to permits, factory inspection, multiple seizures, penalties for technical violations, injunction proceedings, provisions relating to exports, and publicity.

The definition of advertising still includes representations of opinion, bringing in a wide range of discretionary interpretations that will tend to suppress even necessary descriptive expressions in advertising copy.

The term "palliation" included in this bill does not convey any specific meaning in law, as no definite knowledge exists as to the exact pathological effects of certain drugs upon the human system.

The requirement that the label be supported by demonstrable scientific facts, subjects all labels to a discretionary determination of the basis for such facts.

Under the misbranding section, a drug is deemed to be misbranded solely because it may fail to carry a word or statement which may tend to avoid adulteration or misbranding as viewed by the administrators of the law. The discretionary interpretations that may result from the application of this provision provide no assurance to the manufacturer that his label may be acceptable for any extended period of time.

Food standards are still to be prescribed by regulations promulgated by the Secretary. It may be pertinent to ask

why such standards cannot be determined at the time the bill is drafted. Surely the manufacturer—with millions of dollars invested in scientifically developed processes for foods—is entitled to reasonable assurance that his investment may not be worthless at the scratch of a pen.

Manufacturers should have no objection to a declaration of substances possessing stimulant-depressant properties, but the wisdom of granting discretionary powers to a Secretary for the determination of other drugs to come within this category should be seriously questioned.

A drug is deemed to be misbranded if it fails to bear complete and explicit directions for use. It should be noted that the completeness and explicitness of the directions are solely to be determined by regulations promulgated by the Secretary, whose discretionary powers are then further broadened to include such indefinite requirements as the determination of what may be dangerous to health, dosage, or "methods of administration." The Secretary must then become prescribing physician for the administration of all drugs.

If an advertisement is unmistakably false, it is not within the province of the Secretary to declare it legal because of its appearance in a scientific publication. Yet provision is made in this bill specifically exempting such violations.

The exemption of minor violations from the institution of libel or injunction proceedings is, of course, at the discretion of the Secretary, with no requirement actually limiting his powers however minor the violation may be. To afford protection to industry it would seem desirable that some provision be included to prevent arbitrary or capricious actions of the administration in these "minor" instances. There is no reason to suppose that all officials will remain impartial and unprejudiced in the administration of this law.

Relative to seizures, protection is afforded administrative officials against damage suits resulting from the discretionary application of provisions of the law. In an equitably drafted law no cause for action would arise against an administrative official. This provision, therefore, encourages oppressive and bureaucratic interpretations under the cloak of immunity from personal liability.

The practice of instituting simultaneous seizures in many jurisdictions would be continued to the injury of legitimate industry without tangible benefits to the public interest. Multiple seizures should be authorized only in such cases where adulteration is immediately dangerous to public health.

Industry is entitled to some protection against the despotic acts of bureaucracy, and if the law cannot be so written that it is specific in its application, then the acts of administrative officials resulting from discretionary interpretations should be answerable in a court of law.

No protection is afforded the formulae and the secret processes that constitute the most valuable asset of the large majority of manufacturers in the food, drug, and cosmetic industries because of the restrictions of the term "patentable processes." The dissemination of information outside of the scope of administrative office being limited only to such "patentable processes" assures these industries no protection whatsoever.

The delegation of the power to legislate to a board of five members designated by the President is a grant of congressional prerogative open to question as to its constitutionality. The requirement that members of this board are to aid and advise the Secretary in the promulgation of regulations for the protection of public health is clearly legislative in character, such right of legislation heretofore remaining in the hands of Congress. The designation that members should be selected for their distinguished scientific attainment is indeed interesting in view of the fact that none of the members can have a financial interest in the manufacture, advertising, or sale of any food, drug, or cosmetic. It would be difficult to name an individual of such "scientific attainment" who remains utterly detached from the commercial phase of pharmacy or medicine. In fairness to industry, some representation should be provided

upon any board whose duties are to determine the practical application of regulations promulgated by the Secretary. The intricate problems arising in the manufacture and marketing of not only drugs but foods and cosmetics warrant some consideration toward the selection of competent members who have some knowledge of business practice.

It is my belief that the logical solution of the problem of further safeguarding the consumer in a manner justly considerate of the problems of the manufacturer in conforming to such safeguarding will be found in H.R. 6376, which I introduced in the House of Representatives on January 4, 1934.

THE BLACK BILL (H.R. 6376)

The purpose of this bill is to correct defects existing in the Food and Drugs Act of June 30, 1906, and to modernize the act in order that adequate protection may be secured for the consuming public. At the same time it safeguards against fantastic legislation and preserves all of the present adequate provisions of the Food and Drugs Act as interpreted by the courts. The Black bill offers amendments to the present law which would:

First. Extend the provisions of the Food and Drugs Act to cosmetics, beauty preparations, and devices to affect the structure or functions of the body.

Second. Require manufacturers, packers, sellers, or distributors of products to place their true names and addresses thereon.

Third. Provide that notice and hearing be given by the Government to persons primarily responsible for alleged violations of regulations under the statute, prior to the institution of prosecutions, with reasonable opportunity to such persons to effect compliance with official rulings and provide for a certification of compliance by the Secretary.

Fourth. Limit prosecutions for alleged violations to one court action, but with power in that court to enjoin the interstate sale of articles involved pending decision of the controversy.

Fifth. Give emergency powers to the Government to effect summary protection of the public interest by impounding drugs flagrantly misbranded.

Sixth. Give jurisdiction over the advertising independently of the label of foods, drugs, and cosmetics to a bureau of the Department of Agriculture, that bureau, after due notice and hearing, to issue cease and desist orders against advertising found to be false, with provision that prompt compliance with such cease and desist orders be made upon penalty of prosecution and punishment by fine or imprisonment.

I believe the public would be better served by a bill couched in plain, understandable, and explicit terms, with as little opportunity as possible left for its alteration by regulation and varying departmental ideas. I believe H.R. 6376 accomplishes this purpose. [Applause.]

Mr. SWICK. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I was unfortunately unable to be here during the latter part of last session. Early this session, however, I asked the Chairman of the Committee on Expenditures in the Executive Departments—and I have requested him to be present today—if he would not call a meeting of that committee in order that I, the ranking Member on the minority thereon, might know what bills or resolutions had been referred to it. Last year it was suggested that as I had had 11 years of service in the Congress I should have some more important committee assignment than heretofore and that I be placed on the Committee on Expenditures, which was no longer to be a merely dormant one but would probably sit much of the time. I accepted this assignment willingly since it appeared to be an important one.

When I courteously suggested to the chairman of the committee that a meeting thereof be called, so that I might obtain some information as to what was in prospect, there was an apparent unwillingness on his part to accede to my suggestion. A few days later I repeated my request and his reply was "What do you want to do, uncover graft and cor-

ruption?" I answered, "No, indeed; the country cannot stand that sort of thing, but I do wish to question the advisability of some of these current expenditures, and the methods used in making them." He demanded to know what I had in mind. I said, "Well, whether or not it really is sound policy to continue giving more of the Federal funds to wealthy States and wealthy towns which should be able to provide for their own."

When interviewed by representatives of the press, I suggested that they talk personally with the chairman, for whom I have real personal liking and a great deal of respect. He is indeed a lovable man and I believe that he would make a remarkable investigator if allowed to act in that capacity. To them he stated in effect that I was looking for a cheap show. In reply to that insinuation I would ask those who have served with me for 11 years when I have ever forfeited their respect by seeking for notoriety. No; it is not that, but as ranking minority member on this committee I certainly feel some responsibility to those who placed me there and to the country at large to see to it, if possible, that these current huge expenditures be fairly examined.

It is a fact that towns with tax rates of less than \$20—wealthy towns with not a dollar of indebtedness—are taking money from the Federal Treasury, which is faced with a debt of \$32,000,000,000; and last Saturday I had to vote to split the dollar in half and for other features of the monetary revaluation bill because I must needs back up the President, lest the bankers whom he has excoriated fail to help in the great financial operations now in prospect.

When is a nation bankrupt? Just how much can we owe? With more than \$3,000,000,000 of ordinary expense every year and with less than \$3,000,000,000 of income, after having killed the goose that laid the golden egg and gave us \$2,250,000,000 in income and corporation taxes—having locked the barn door of banking and business after the horse had been stolen, and, as a friend wrote me the other day, "locked it so tight that we cannot use the barn any more"—what is our present situation?

We courageously voted that our President should have all the money which he demanded for relief, namely \$3,300,000 last year. When November arrived he found that the same thing existed as had existed under the former administration—that organization, planning, governmental red tape, and all that sort of thing had prevented the spending of all but a comparatively small amount for actual relief of unemployment.

I recall that on January 25 of last year I made a brief speech on the floor of this House and cited the failure of the Home Loan Bank, whereupon the gentleman from South Carolina said to me with much emphasis, as you may recall, "After March 4 things will move." After March 4 that same gentleman was made chairman of the new Home Owners' Loan Corporation Board. Things were certainly supposed to move then. Did they? Oh, what a record. Up to the middle of December—and I have figures available to prove it—scarcely any relief had been given to distressed home owners. There was more organization, there were more rules and regulations, and more and more delays, but foreclosures went on and on. The actual results of most of these relief measures were most disheartening. Federal banks bursting with money, but member banks not daring to borrow. The chairman of the R.F.C. tells the banks to loosen up; the Comptroller of the Currency travels about making speeches and urging banks to do business, even advising the making of loans on good character.

It has been stated that the failure of the recovery program of the N.R.A.—or the proportion of its failure—is to be laid to the banks because they have not properly cooperated. But just visit your own banks after the national-bank examiner has been there, putting the fear of God into them by such instructions as this: "Don't you dare to lend another dollar on real estate as security or to that person whose credit is based on real estate", and after they have been subjected to criticisms which have actually resulted in banks withdrawing from business because they did not dare to carry it on. Agencies of the Government are working at

cross-purposes, gentlemen. Within the last few days I have once more learned that banks in my own district have still borrowed nothing from the Federal Reserve bank to help business in their communities. When is the fear which has restrained them from doing so to disappear? Not so long as these governmental threats and this spending spree continue.

Then I look over the P.W.A. program, for which I voted last year. I was very willing to vote a grant of 30 percent of the cost of municipal projects which would result in local improvements and be worth while in future years. But last November came and the P.W.A. had woefully failed to function as it was intended that it should function in all those many, many months. Someone had to think of something else at once. Perhaps if Mr. Hoover had proposed it he would have been reelected President; that is, if the Democratic Congress could have been persuaded to back him up. They thought of practically giving away a huge sum of money—\$400,000,000—and giving it away in a hurry. Some of it must reach the people's pockets by Christmas. You and I have many letters from constituents praising Mr. Roosevelt because their Christmas was made happier, and I rejoice with those who received this needed aid. There is no question of that need in countless instances. But that is only one side of the picture. Many wealthy communities and units promptly jumped in and grabbed a lot of this relief money, spending it on things which they, as municipalities, should never have spent it for. The same is true of individuals. Possibly a million men have been placed on C.W.A. pay rolls who would not have had a job even in good times. It cannot be denied that in countless instances the deserving have failed to secure help because those who were not deserving got it. "Canned music" had thrown many musicians out of employment. That they needed work is unquestionable, but many have been given jobs simply to furnish entertainment for the public. Shades of the Caesars. That is what happened in Rome in the days of the public circuses.

[Here the gavel fell.]

Mr. SWICK. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GIFFORD. I may appear to be critical. I am critical of many of the methods which have been employed, but I am, nevertheless, backing the President. I even voted for his revolutionary proposals when many of my friends thought that I should not. If he asks for a billion dollars more, even if it is to be spent in the same manner, I shall probably vote as he requests. God knows I shall have to; he is the only President I have. If this is the only method of relief which he offers, I must support it, for the need is great.

Nevertheless, I do want a meeting of the Committee on Expenditures. Gently, oh, so gently, have I requested it. There are only 6 of the minority party against 15 of the majority on that committee, so what show have we got? I simply wish to call Mr. Hopkins down here and find out from him if it is not in fact true that greedy, rich municipalities that did not need this relief money have been taking it—taking it from those which did—and spending it on useless projects. Now, most of the P.W.A. projects are in a different category. They are permanent and worthwhile.

So, Mr. Chairman, this is the gist of my remarks this afternoon.

Confronted with only one method of bringing direct relief to our people, I am voting with the President. Just the same, I should like to have Mr. Hopkins and a few others appear before a real congressional committee, to pass on the advisability or inadvisability of giving away vast sums of money without due consideration and reasonable restraints. And my friend, the gentleman from Missouri [Mr. COCHRAN], would, I am sure, be the one most anxious and able to settle the question as to whether this has been done and how we are to proceed in the future.

Since we had our little discussion I have received scores of communications asking me to investigate scandals in different localities. The newspapers have lately been filled with comments and criticisms along the same lines. There

is certainly nothing secret about this now, and our committee was created to pass on expenditures by the Executive and, as a corollary, should hear reasonable and proper complaints. I observe that this morning's newspapers have called this giving-away proposition "the politicians' paradise." Municipalities complain because they were urged, or commanded, in the strongest terms to present C.W.A. projects in great haste, before they could properly consider the situation. Now, after they have got projects started and materials purchased they are ordered to "taper off" on employment. This tapering off will be most difficult to do, and hopes, but recently aroused, are now to be shattered.

Mr. KNUTSON. Will the gentleman yield?

Mr. GIFFORD. Yes; I yield.

Mr. KNUTSON. I do not think there is any politics in the C.W.A., because in Minnesota no man can get a job unless he is a Farmer-Laborite. [Laughter.]

Mr. GIFFORD. I said that if Mr. Hoover had only thought of this giving away money, I think he would have been elected. I do not know whether there is any politics in it or not, I do not know what the motive was, but you on the other side of the House feel happy about it. One Member over there said to me, "Well, we put something over on you that time, did we?" Well, I think you did, and you may have made a lot of votes. But, has our Government come to that?

Now, as I say, I asked the chairman to call this meeting. He well knows what I would do, if I were chairman. Perhaps I should thank heaven that I am in a position where it ought not to worry me; but it does. It is my duty to see that this committee performs its functions. I represent a section of the country where the people do their own thinking. I know that they expect me to do the same and do my duty.

I hope that the leaders on the other side have not taken the stand of asking the chairman of the committee not to call it together. The President himself is trying to clean house of the politicians who are using his administration for profitable practices. The indications are that he wishes matters to be aired and debated. Why, then, do you further resist this request? You are 15 to 6 on the committee and can whitewash any investigation if you choose to do so. [Applause.]

[Here the gavel fell.]

Mr. AYRES of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN of Missouri. Mr. Chairman, another distinguished orator is added to the heavy artillery on the Republican side, the gentleman from Massachusetts [Mr. GIFFORD] joining the ranks; but able as he is, he is so lacking in information that his shots at the administration do not even make a small dent. When Congress met a few weeks ago, the guns of the enemy were trained on the administration. We heard from General FISH, General CROWTHER, General TABER, and others. Now comes the gentleman from Massachusetts [Mr. GIFFORD]. Like the previous attacks, the gentleman from Massachusetts fails to make an impression, owing, I think, to his lack of understanding of the operations of our relief agencies.

Mr. GIFFORD. Will the gentleman allow me to interrupt him, and I will not interrupt him further? I meant to have stated that not a single Member on my side of the House has spoken to me in regard to this, nor has any one of the Republican leaders said anything about it.

Mr. COCHRAN of Missouri. While I did not yield to the gentleman, and do not want this taken out of my time, it is evident from what has just been said that the gentleman proceeded on his own initiative. The gentleman seems peeved because I have not called a meeting of the Committee on Expenditures to investigate the spending of money by the Public Works Administration and the Civil Works Administration. He wants an investigation, but he cannot produce any evidence of fraud of any kind. He seeks information that is contained in the monthly reports of the Administrator of the P.W.A. and the Administrator of the C.W.A. Then the gentleman complains because some of the

towns of his district with small tax rates, wealthy towns, having no debts, are taking money from the C.W.A. at a time, he says, when the Government is facing an indebtedness of \$32,000,000,000. Why does the gentleman complain here about what the officials in his towns do? They were not forced to accept the money. They accepted it, or it would not have been allocated. If the gentleman would stop for a moment to reason, he could realize why they accepted the money. I will advise him. Being wealthy communities, as he says, naturally they pay taxes to the United States Government. The money is being allocated to all cities and towns for relief purposes; and if they did not accept their portion of this money, the officials would find themselves in the position of paying taxes to be distributed among other cities and towns, with no direct benefit to them.

So what do they do? Like all other cities, they ask for their share. The gentleman spoke of the P.W.A. and made the statement that November came and this Administration did not function. If he will consult the record, he will find that nearly all the \$3,300,000,000 was allocated by November. It has all been allocated now and the Administrator has warned States, counties, and cities that if they do not proceed with the improvements for which money was allocated he will revoke the grant. Is there any evidence there that the Public Works Administration has not functioned? It not only has functioned but is functioning now and, when Congress grants additional money for public works, it will be in a position to allocate immediately this money as applications are being approved daily and are held in abeyance awaiting action by Congress. Of course, we will not act until the President sends in his request, but we are informed that will be along in a very short time.

It is hard for me to conceive that the gentleman, who has been here so long and who has rendered such valuable service in the past, does not know how fast the Public Works Administration acted upon applications filed by the States and local communities. I can tell him that if he will just look at the record he will see that what I tell him is true and that, when weather permits, the projects not already started will be started. In the meantime the mills have been contacted and are now turning out material to be used in these projects. Look up the record of the Army Engineers and see if they have loafed on the job. They were ready, and practically all the large contracts have been let. "Gently I have asked for a meeting of the committee. I want to talk to Mr. Hopkins. I want information about those greedy, wealthy municipalities that took C.W.A. money", said Mr. Gifford in his speech. What information can Mr. Hopkins give him other than to say that the wealthy municipalities requested the money and it was allocated. It is from the officials of the municipalities that he should secure his information. The gentleman said he hoped the leaders on the Democratic side had not taken a stand against a committee meeting. The gentleman can be assured they have not. I accept the entire responsibility and I have no apology to make. I told the gentleman to produce some facts and he could have a meeting.

As the gentleman knows, I like to go fishing; that is my hobby. I am willing to go on a fishing expedition any time; but if I do, I am going to insist that the gentleman furnish the bait. [Laughter.] As soon as the gentleman, in the opinion of the chairman of the committee, furnishes any evidence that is worthy of consideration, there will be a meeting of the committee. But there is not going to be a meeting of the committee, as far as I am concerned, simply for the purpose of letting the gentleman throw mud at the administration.

Now, as to the P.W.A. and the C.W.A., everybody admits that the money is spent fast. The P.W.A. has done a wonderful job although my city has so far been denied money for our post office, a project for which Congress not only authorized the money but appropriated the money, and it was taken under authority granted in the Economy Act by the President and used for the Civilian Conservation Corps. There was a reason for the failure of the Director of the Budget and the Administration of Public Works in not allo-

ating the amount asked for this project by the Treasury Department. The P.W.A. is willing to give us the \$3,100,000 Congress appropriated, but the Treasury Department now says it needs \$5,350,000 to complete the job. I hope the controversy will soon be settled, and I think it will. The P.W.A. allocated money for projects authorized by Congress and we should not condemn the Administrator for that. He simply expedited the project to place the unemployed to work. That is what we gave them the money for. If you are in doubt as to this, consult the hearings before the committees. Everybody admits, if we had had time to work out a program, that probably we would have got more benefit out of the Civil Works Administration than we really will get, but in October last 11 percent of the people of the United States were on the unemployed relief roll, and something had to be done. What were we going to do? We had a man in the White House who figured out a way to go, and rather than simply have these people walk up week after week and receive a contribution from the local, State, and Federal relief rolls, they devised the C.W.A. Is it not better to let a man earn a few dollars so that he can walk home at night holding his head up and say that he has earned this money to feed his children rather than to have him go into the breadline and beg something from a charitable organization?

As far as I am concerned, I am willing to spend twice the amount that we have spent, if it is necessary, to feed the unemployed in this country. If you had not put the men to work, it would have been necessary to allocate the money through relief agencies, because the people must be fed. You are going to have lots of complaints. The gentleman from Massachusetts [Mr. GIFFORD] says that I have had them from St. Louis. I have not. I received only one complaint from his State, and he had a copy of the letter. The gentleman would break down the C.W.A., which would mean he would put 4,000,000 men back in the bread line to beg for their families. I can only say that those who oppose such a policy as we have inaugurated temporarily must never have felt the pinch. The President knows what he is doing. Let us help him rather than impede his progress. If any official—Federal, State, or local—has misused this fund—money advanced to feed the poor—no penalty is too severe.

Yesterday we heard something on the floor of the House about protecting ourselves from those without; from those on the outside. Build a great Navy, we were told. I am for that. I have always voted for it, although I live a thousand miles from the sea. Build a great Navy, we were told, so that we would be in a position to protect ourselves. I am not afraid of anyone on the outside. My thought is what will happen on the inside if we fail to see that our citizens receive proper food and shelter.

I was at a luncheon not long ago to a distinguished former Member of this House from the Republican side of the aisle, and I heard him make a very interesting speech. He made one remark that I shall always remember. He was speaking off the record—it did not appear in the press—but I do not think he will object if I repeat it. He said: "Let me tell you something, gentlemen. You cannot expect the people of this country to wave the American flag and to sing The Star-Spangled Banner on an empty stomach"; and you cannot. We do not want any trouble within the boundaries of our own country, but we cannot have all the luxuries on one side of the street and poverty on the other and at the same time expect everyone to be peaceful and happy.

The man in the White House is trying to do something for the unfortunate people of this country who have been placed in an unfortunate position not through their own choosing, and, as I said before, I believe it is the duty of all of us to cooperate with him. If we can find any fraud, let us find it; but do not come around here throwing mud, when the gentleman himself admits that he has absolutely no evidence to present to the committee. Call a meeting of the committee! If I did, where would we start, with nothing to start on? The Government practically stepped out of the picture when the allocation was made to the States. If there has

been fraud, or if the money has not been properly used, then fault lies with the State and local officials handling the funds, not with the Civil Works Administrator.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN of Missouri. Yes; always to my friend from New York.

Mr. SNELL. I do not know anything about this controversy, and I am not a party to it, but I did have something to do with establishing the Committee on Expenditures. If there ever was a time when I think there is an obligation on that committee, it is now, and for this reason: Three quarters of the expenditures being made are not under the control of the Committee on Appropriations, nor are they considered by that committee. I think the gentleman and his committee have an opportunity and duty to keep track of it. I am not throwing any mud at anybody. I simply believe that now is the time when the obligation which rests upon the gentleman's committee should be fulfilled, to keep track of these expenditures to as great an extent as possible. Just get the facts, regardless of anything else. For instance, I should like to have the gentleman give me the information of how much the C.W.A. has spent up to the present time in every State in the Union, just for information.

Mr. COCHRAN of Missouri. The gentleman should know that Mr. Hopkins—I never met the gentleman but once in my life—

Mr. SNELL. I never did either.

Mr. COCHRAN of Missouri. Mr. Hopkins issues a monthly report and tells you how much money he puts into every State in the Union. He tells you everything that is done by the Civil Works Administration. What more could you ask?

Mr. SNELL. I have never happened to see it.

Mr. COCHRAN of Missouri. As I understand the situation, when the allocation is made to a State, it is left to the honesty of the State officials to disburse the money. Mr. Hopkins has issued regulations which limit the spending of this money. They are very broad, but he keeps the States within the limits of the regulations, and tells you all in his report.

Mr. SNELL. I think that is true, but I did not know that they issued that. I shall call for it today.

Mr. COCHRAN of Missouri. They issue it every month. One came to my office yesterday. In fact, it was delivered to the office of every Member. I have never asked for it, because it is sent to me as it is to you.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN of Missouri. Yes.

Mr. GIFFORD. We are just getting the November 30 report, 2 months late.

Mr. COCHRAN of Missouri. Probably that is due to the congestion in the Government Printing Office. The report might have been down there a month ago. Then again that might not be the cause. This is no little undertaking, and reports must be had from the States before the monthly report is issued. That seems reasonable.

Mr. SNELL. Considering the number of billions that are being spent by outside sources, independent commissions that do not come under the control of the Committee on Appropriations, does not the gentleman think his committee should meet?

Mr. COCHRAN of Missouri. The committee is going to meet, but as we all know, the President is going to ask for more money; and when that request comes along in a few days, then the Appropriation Committee will get an accounting and all the information it desires.

Mr. SNELL. That is all I ask. I think the gentleman's committee should look it over.

Mr. COCHRAN of Missouri. Wait a moment. The committee is going to meet, but the gentleman knows as well as I do that a great many of the functions of that committee were taken from it when we passed the Economy Act.

Mr. SNELL. I know that certain ones were taken away, but the general overlooking of these expenditures is still left with the gentleman's committee.

Mr. COCHRAN of Missouri. I realize that. The gentleman can depend upon the committee to do its duty.

Mr. SNELL. That is all I ask. I have nothing special in mind.

Mr. COCHRAN of Missouri. Is the Committee on Expenditures expected to go from department to department and ascertain the amount of money that is spent and what it is spent for? That is what we have the General Accounting Office for, and recent developments certainly disclose that General McCarl is on the job. He has hundreds of employees looking after these appropriations, and but recently added many more employees so he could check up on the P.W.A. and C.W.A. expenditures.

Mr. SNELL. I think there is an obligation on the gentleman's committee to look after these expenditures. That is all.

Mr. COCHRAN of Missouri. I spent the entire summer here. As the Members of the House know, I am here every day. To this hour, I have not had one complaint showing the illegal expenditure of any of the emergency funds. Show me where this money has not been properly handled by Government officials, and see how busy the committee will get. I might further add, up to this hour I have received no evidence that any State or local official has been guilty of fraud in handling this money.

Mr. GIFFORD. Will the gentleman yield for a question?

Mr. COCHRAN of Missouri. I yield.

Mr. GIFFORD. Having tried to interpret my views for me, in spite of the fact that I have voted and will vote for further expenditures, I should like to ask the gentleman if he favors giving more funds of the C.W.A. to wealthy towns and communities that do not have a dollar of indebtedness and have a low tax rate and do not need the money?

Mr. COCHRAN of Missouri. I will favor voting such expenditures as the President of the United States asks for, and I am willing to leave it in his discretion as to how he is going to help the unemployed. As to the wealthy municipalities and towns in the gentleman's district or any other district the responsibility rests with them not me. They are as much entitled to ask for their share of the money as any other town if they desire to do so.

In conclusion I should like to ask the gentleman once more if he has any information at all that will be of value to the Committee on Expenditures if that committee should hold a meeting?

Mr. GIFFORD. I have a lot of complaints.

Mr. COCHRAN of Missouri. Oh, complaints! Anonymous letters.

Mr. GIFFORD. No; letters that would be satisfactory to the chairman, I am sure.

Mr. COCHRAN of Missouri. I will appreciate it if the gentleman will let me see them. Mr. Chairman, no one is going to place me in the position of refusing to conduct a proper investigation. Of course, we know that other than to give the unemployed work it is not necessary to carry on some of the C.W.A. program. It is a move to help the unemployed, a move to take the citizen off charity; that we do not deny. In normal times an official would be placed in jail for carrying on some of these projects, but these are not normal times. Everyone seems to realize what the purpose of the C.W.A. is but the gentleman from Massachusetts. To make my position clear to all, I will plead with the President not to curtail the C.W.A. until at least next June. I fear the result if we do not go on with this program. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri [Mr. COCHRAN] has expired.

Mr. COCHRAN of Missouri. Under leave to extend my remarks in the RECORD I include the following, which was received from the Federal Civil Works Administration:

FEDERAL CIVIL WORKS ADMINISTRATION,
1734 NEW YORK AVENUE,
Washington, January 23, 1934.

HON. JOHN J. COCHRAN,
304 House Office Building, Washington, D.C.

DEAR CONGRESSMAN: In response to your telephone request of this afternoon, I am sending you herewith a list of advances from C.W.A. funds made to the States through January 20; a description of the types of projects being carried on by State and local

authorities; a list of projects being carried on under the supervision of Federal bureaus, together with an explanation of the method of administering them.

We trust that this is the information you desire.

Sincerely yours,

BRUCE MCCLURE,

Secretary Federal Civil Works Administration.

Total C.W.A. advances made through Jan. 20, 1934

Alabama	\$6,555,000
Arizona	1,878,000
Arkansas	5,660,000
California	17,212,000
Colorado	2,513,000
Connecticut	3,538,000
Delaware	395,000
District of Columbia	1,950,000
Florida	8,500,000
Georgia	8,053,000
Idaho	2,305,000
Illinois	21,652,000
Indiana	11,322,000
Iowa	6,673,000
Kansas	6,450,000
Kentucky	5,892,000
Louisiana	7,425,000
Maine	1,970,000
Maryland	3,447,000
Massachusetts	9,477,000
Michigan	14,050,000
Minnesota	8,665,000
Mississippi	3,683,000
Missouri	8,865,000
Montana	2,735,000
Nebraska	2,700,000
Nevada	635,000
New Hampshire	1,370,000
New Jersey	9,385,000
New Mexico	1,208,000
New York	30,470,000
North Carolina	5,190,000
North Dakota	1,798,000
Ohio	26,340,000
Oklahoma	7,310,000
Oregon	2,670,000
Pennsylvania	19,635,000
Rhode Island	1,780,000
South Carolina	5,060,000
South Dakota	4,338,000
Tennessee	6,576,000
Texas	16,458,000
Utah	2,607,000
Vermont	1,145,000
Virginia	5,053,000
Washington	7,268,000
West Virginia	6,160,000
Wisconsin	18,560,000
Wyoming	1,198,000

Total..... 357,279,000

FEDERAL CIVIL WORKS PROJECTS

In order to put 4,000,000 men to work in 1 month on public projects that were economically and socially desirable, it was necessary to make use of all available facilities.

It was thought that the State organizations using the powers and assistance of city, county, and State governments would be able in the time allotted to assign not more than 3,500,000 people. Some procedure other than relying upon State and local Civil Works administrations needed to be evolved in order to put the remaining 500,000 men to work in the several States in the time allotted. Accordingly, it was decided to administer this part of the employment program from the Washington office of the Civil Works Administration.

The President had already asked the Federal departments to give their utmost cooperation to the Civil Works Administration. While the Civil Works Administration had knowledge of a few projects, such as improvements to the public health and the control of pest mosquitos which it desired to carry out, it immediately asked the various departments to appoint liaison officers who acquainted the bureau chiefs with the problems and relayed their suggestions for desirable work to the Federal-project department of the Civil Works Administration.

The response of the departments was excellent and resulted in the presentation of a large number of suggested undertakings. Whenever one seemed to be desirable it was explored in some detail. If it still appeared feasible it was approved. Once a given undertaking was approved as a project, a request was made to some Federal department to be responsible for its administration throughout the States.

The attempt was made to secure this cooperation from the Federal department which it might be reasonably supposed would normally have undertaken the work had the appropriation been made directly by Congress in the ordinary course of events. An example will illustrate this point. It was agreed that it was desirable to reduce considerably, if not eradicate entirely, the disease

of malaria which is prevalent in the Southern States. To this end the Bureau of the Public Health Service was called into consultation and asked to submit estimates regarding the number of men and the cost for other than labor expenses that would be required to make a creditable attempt at malaria control on a Nation-wide basis. The estimates were approved and the Public Health Service was asked to assume administrative responsibility for the project. It employed 30,000 men in hundreds of separate localities in 14 different States.

In putting this program into effect, no money was actually given to the Federal Departments except a small amount to cover supervisory personnel and travel expenses. The projects were put in operation by sending an order to each State Civil Works Administration to furnish to an accredited representative of the Federal Department, the number of men agreed upon at the rates of pay prescribed and to honor suitable vouchers for other than labor expenses in the authorized amount.

The designation "Federal Civil Works project" indicates primarily a distinction of administration, because the work actually is done locally with local people. Some work that is undertaken is of such a nature that to be useful at all it should be coordinated throughout the several States in which it is being carried on. An example of this kind of project is the one for reducing the acid content of the water of certain tributaries to the Ohio River. Unless all the States bordering upon these waterways took the same precautions, it would be futile for any of them to do so. The project is being carried on by the Public Health Service co-operating with the United States Bureau of Mines and the several State health and mining departments concerned.

Since all of the work done under Civil Works must be done on public property, it was thought advisable to have some improvement work done on Federal Government property as well as on the property of State and local governments. Accordingly general improvement work which would not otherwise have been done was undertaken; for example, at the experiment stations in several of the bureaus of the Department of Agriculture, at Army and Navy posts and stations, and at Government fish hatcheries. Some of the independent offices and establishments have been aided in carrying out their work. In this category would fall the Tennessee Valley Authority, the Subsistence Homesteads Division, and the special Soil Erosion Service.

Approximately 90 projects of this kind are under way at thousands of work locations throughout the various States.

TYPES OF PROJECTS

In the following the types of projects which can be carried on by State and local Civil Works administrations are described. The general rules governing the choice of projects are indicated and lists are given, classified by types which are indicative of what is being done. They are, however, by no means exhaustive.

By far the largest part of the projects are those originated by local subdivisions. It is intended that the Civil Works projects shall fall in a field that lies between normal governmental expenditure on the one hand and the type of construction ordinarily carried forward by the Public Works Administration on the other. They are projects that can be operated on force account, can be picked up quickly and completed with rapidity. The time limit set on all projects was February 15. This made these requirements of force account, flexibility, and early completion that have had most to do with the determination of the types of projects carried forward.

At a meeting of the special board of public works on November 14, it was decided that certain projects not feasible for prosecution by the Public Works Administration be referred to the newly created Civil Works Administration. These projects are returned to the States and an application is made in the usual manner for their initiation as Civil Works projects. A great number of them which might not otherwise have been developed are being prosecuted through use of Civil Works workers.

It is required that they all be of social and economic utility and that they all have permanent value. Many of them are the sort of project that serves a community need, but that the community might find difficulty in bonding itself to provide. A classified list of projects in operation will more clearly than anything else indicate the scope of Civil Works activities.

The projects are classified as follows:

- A. Streets, roads, and highways.
- B. Schools and universities.
- C. Parks and playgrounds.
- D. Public buildings and equipment.
- E. Improvement to public lands.
- F. Pest control.
- G. Sanitation.
- H. Waterways and water supply.
- I. Utilities.
- J. Administrative, professional, and clerical.

Classification A—Streets, roads, and highways

Civil Works projects are a means of carrying on necessary road work which could not be carried out under the regular budget of the State or municipality or is not provided for by the Bureau of Public Roads or the Public Works Administration. This type of project is more than just a means of providing work and all efforts are being directed toward producing constructive results in this field.

1. Roadways:

- (a) Reclaiming public lands for highway purposes and clearing right-of-way, brush cutting, etc.

- (b) Grading, filling, leveling, widening, straightening, shoulder-ing.

- (c) Paving, resurfacing.
- (d) Improving intersections, banking, and eliminating dangerous curves.

- (e) Concrete and masonry constructions—bridges and under-passes.

- (f) Building and repairing ditches, culverts, retaining walls, and curbs.

2. Sidewalks, pathways, and parkways:

- (a) Building, repairing, and relaying.

- (b) Grading and filling.

3. Landscaping:

- (a) Constructing and painting guard rails and fences.

- (b) Planting trees and shrubbery, trimming same.

4. Traffic:

- (a) Painting and installing traffic signals.

- (b) Painting and installing street signs.

- (c) Building and marking parking spaces, traffic circles, safety signs, etc.

5. Materials for roadways:

- (a) Concrete, macadam, sand, gravel, and rock, also cinders and asphalt.

- (b) Quarrying, hauling, excavating, digging, and dredging.

Classification B—Schools and universities

Due to overcrowded conditions and general lack of funds on the part of the various local boards of education, there is a great field for worthwhile projects in this category. Projects so classed include work not only on the actual school buildings but also all work done on the ground and equipment belonging to them.

1. Buildings.

- (a) Small construction jobs that can be finished in required time.

- (b) Repairing, painting, and reroofing.

- (c) Plastering, plumbing, and lighting.

- (d) Furniture and fixtures renovated.

2. Grounds and equipment.

- (a) Building and improving athletic fields and grandstands.

- (b) Resurfacing tennis courts.

- (c) Improving dressing rooms and field houses.

- (d) Constructing and repairing swimming pools and hockey rinks.

- (e) Grading and beautifying school grounds.

- (f) Laying walks and paths.

Classification C—Parks and playgrounds

This includes all types of work on the grounds and provides an excellent field for good projects.

1. Improvement of grounds.

- (a) Clearing, grading, filling, and brush removal.

- (b) Roadways, walks, bridle paths, and streams.

- (c) Drainage, gutters, and sewers.

- (d) Landscaping, fences, railings, and signs.

- (e) Lighting and traffic-signal system.

2. Recreational facilities.

- (a) Swimming pools, bathing beaches, wading pools, and bath-houses.

- (b) Golf courses, handball and tennis courts.

- (c) Playgrounds, athletic fields, and skating rinks.

- (d) Picnic grounds, shelters, band stands, outdoor theaters, tool houses, field houses, and camp sites.

Classification D—Public buildings and equipment

A great deal of extraordinary work in the repair and maintenance of public institutions has been instigated through civil-works projects. This includes work on airports, armories, bridges, city halls, community houses, courthouses, docks, fire houses, garages, hospitals, homes for aged and indigent, libraries, lodging houses, markets, museums, orphanages, police stations, jails, repair shops, sanitariums, schools, stables, storehouses, toolhouses, workshops.

Equipment includes tractors, graders, ditchers, concrete mixers, trucks, asphalt mixers, steam rollers, sprinklers, small tools, fire hydrants, police signals and fire boxes, etc.

1. Construction and repairing:

- (a) Foundations, concrete.

- (b) Roofing.

- (c) Plumbing and lighting.

- (d) Plastering, papering, painting.

- (e) Demolition of old buildings.

2. Equipment:

- (a) Painting.

- (b) Servicing.

Classification E—Improvement to public lands

This classification offers a broad field for a great variety of projects of real value in communities of all sizes and locations and covers a multitude of subjects, such as: Airports, cemeteries, dumps, marsh lands, fair grounds, golf courses, natural amphitheaters, State- or community-owned farms, fish hatcheries and experimental stations, national forests, swimming pools, beaches, and community subsistence gardens, as well as the land around public buildings.

The establishment of community centers may also be included as a unit by itself, being made up of clubhouses, week-end camp buildings, athletic and camping facilities, recreation halls, playgrounds, development of bathing and boating facilities, and agricultural demonstration plots.

1. Improvements:
 - (a) Grading, leveling, filling.
 - (b) Repairing, painting buildings and fences, digging wells, and building dams on State-owned farms.
 - (c) Landscaping and lighting.
2. Forests:
 - (a) Building and improving trails, trail signs, and fire warnings.
 - (b) Removing brush and dead trees; erosion control.
 - (c) Establishing camp sites.
 - (d) Improving water system and reducing fire hazard.
 - (e) Forest pathology (tree surgery).

Classification F—Pest control

To provide the proper direction for pest-control projects, the Civil Works Division has obtained the cooperation of the following Federal Departments:

Department of Agriculture—Biological Survey, Agricultural Engineering and Economics, Plant Industry, Plant Quarantine, and Animal Industry.

Treasury Department—Public Health Service.

In some cases this work may be carried out under the direction of corresponding State or local departments. Local Civil Works authorities have called on such local departments as may be able to advise upon the initiation and/or undertake the direction of projects of this nature. State agricultural colleges and experimental stations have been especially helpful in pointing out specific local pests to be combated, as well as in supervising projects.

1. Insect control:
 - (a) Mosquitoes (malaria control), drainage, oiling, steam clearing.
 - (b) Grasshopper eradication; poisoning.
 - (c) Tick eradication, dipping, poisoning, quarantine.
 - (d) Japanese beetle control; poisoning, quarantine.
 - (e) Moth control and others.
2. Rodent control:
 - (a) Rat eradication; poisoning, trapping, laboratory control work.
 - (b) Prairie dog and gopher eradication.
 - (c) Others.
3. Animal disease control:
 - (a) Inoculation and quarantine (livestock).
 - (b) Predatory animals; poisoning and trapping.
4. Plant control:
 - (a) Eradication of ragweed, poison ivy, other poisonous weeds, flowers.

Classification G—Sanitation

Wherever possible, sanitary operations should be of a community-wide nature. Communities may make a Civil Works project of a survey of their sanitary conditions to determine their adequacy before starting projects. (See classification J—Administrative, professional, and clerical.)

1. Excavation and drainage:
 - (a) Sanitary and storm sewers, manholes, catch basins.
 - (b) Ditching, cleaning creek beds, filling.
2. Construction:
 - (a) Sewage disposal and incinerator plants, sewer outlets.
 - (b) Sanitary privies, septic tanks, filter extensions, cisterns.
3. Repairing and painting:
 - (a) Sanitary plants.
 - (b) Trucks, wagons, and equipment.

Classification H—Waterways and water supply

Projects of this nature are advisable where the labor cost is the major factor in the total cost of the project. This is especially true in the improvement of reservoirs, watersheds, and the manual labor involved in the laying of water mains.

1. Waterways:
 - (a) Rivers, canals, lakes, streams.
 - (b) Widening, straightening, deepening, damming, dikes, and levees (building, repairing, and cleaning).
2. Watersheds and reservoirs:
 - (a) Clearing, filling, cutting fire lanes.
 - (b) Planting, landscaping, riprapping.
 - (c) Development of flood control and irrigation districts, soil erosion.
3. Waterworks:
 - (a) Filter plants, chlorination plants, aeration plants (building and repair).
 - (b) Pumping stations, walls, auxiliary systems.
 - (c) Landscaping grounds.
4. Distributing system:
 - (a) Laying and repairing water mains.
 - (b) Erecting and inspection of hydrants.
 - (c) Erecting, repairing, and painting pressure tanks.

Classification I—Utilities

1. Street-car lines.
2. Maintenance of equipment, removal of old tracks.
3. Gas Works.
 - (a) Installation and repair of mains and equipment.
4. Electric light, power, and heating plants.
 - (a) Installation and care of fire alarms and police boxes.
 - (b) Conduits and electric cables.
 - (c) Roadways and bridge lighting.

Classification J—Administrative, professional, and clerical

The possible projects under this classification are so numerous that only an outline can be included here. The variety of re-

searches and surveys which can be undertaken by Civil Works divisions are almost limitless.

Some examples of actual projects undertaken under this head are as follows:

a. Personnel in various local C.W.A. administrative offices; clerks and machine operators in Weather Bureau stations; surveying and relocating boundary lines; plotting streets; drafting charts, maps, and diagrams; revising legal codes in cities and towns. Other work utilizing white-collar workers with a technical training, artists, architects, engineers, translators, etc.

b. Extra clerical and accounting help in public offices; repairing and indexing books, maps, photographs, paintings; filing, transcribing, and copying old records; all projects calling for research or statistical surveys are supervised by the Federal Civil Works Administration to prevent duplication.

Mr. AYRES of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. CARPENTER].

Mr. CARPENTER of Kansas. Mr. Chairman, being one of the newer and younger Members of this Congress, it does not behoove me to join in this affray with the powers that be. I do not want you to understand that I am so conceited that I think I can stand here and debate against those men. It just happens that I had asked for a little time to discuss a matter and call the attention of this House to a matter which has just been discussed. It so happens that I am a member of the Committee on Expenditures that has just come under fire. I wish to say, as a member of that committee, that I have implicit faith in the chairman of that committee and I am willing to abide by him and his judgment in regard to the actions of that committee.

One of the criticisms that was directed at Congress in the last campaign was the fact that during the last 4 years there was too much committee work and not enough action on the floor of this House.

I rose for the purpose of calling the attention of Congress to a very serious situation that is facing many millions of people in this country. That has to do with the discontinuance of the C.W.A. I received a letter last week from the secretary of the Federal Civil Works Administration, and I ask unanimous consent, Mr. Chairman, to insert that letter in my remarks, together with a copy of the telegram referred to in the letter.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The letter and telegram are as follows:

FEDERAL CIVIL WORKS ADMINISTRATION,
1734 NEW YORK AVENUE,
Washington, January 19, 1934.

The Honorable RANDOLPH CARPENTER,
United States House of Representatives,
Washington, D.C.

MY DEAR CONGRESSMAN CARPENTER: We are in receipt of your kind letter of January 15, enclosing copy of the telegram from the mayor of Junction City, Kans.

The Civil Works program can be continued beyond February 15 only if an additional appropriation is made for that purpose.

You may be interested in the enclosed copy of telegram sent by Mr. Hopkins to the State administrators.

Very truly yours,

BRUCE MCCLURE,
Secretary Federal Civil Works Administration.

[Telegram]

JANUARY 18, 1934.

To all State Administrators:

Due to the fact that average weekly wages for Civil Works is in excess of original estimated weekly pay rolls it is necessary to reduce the hours worked per week on local, State, and Federal projects to keep within the money available. You are herewith instructed that effective January 19, 1934, all per-diem workers are to be put on a work week as follows: In cities over 2,500 population, maximum 24 hours per week. In cities under 2,500 and open country, a maximum of 15 hours per week. All clerical, supervisory, and professional workers, a maximum of 30 hours per week with proportionate wage adjustment. This does not include administrative workers in administrators' offices. This applies to all Civil Works and Civil Works Service employees and must be made effective everywhere on this date since disbursing officers will be instructed not to pay wages for work in excess of the hours provided herein. From this date no name shall be added to any pay roll except in actual replacement of a worker fully terminated and finally paid off. Notify all your counties by wire today of the contents of this telegram. Wire today reduction in dollars on your weekly pay roll accomplished this action. This telegram supersedes all prior instructions.

HARRY L. HOPKINS, Administrator.

Mr. CARPENTER of Kansas. Now, if we would turn these millions of men, who are now employed, out into the streets in the middle of winter, it seems to me that would be one of the greatest calamities that could happen to this country. I am opposed to turning out these millions of men, who are now being given useful employment by this Government, into the cold and into the bread lines at this time of year. It will be the very same thing as taking a hungry man in and placing him at a table to eat, with a nice big feast before him, and then, when he got about half way through, take it all away from him. You might take an exhausted man home that you had picked up cold and exhausted along the road and put him in a nice warm bed, and, in the middle of the night, come and throw him out.

We have heard a great deal of talk about war and the reason for a larger Navy. We know that we may be faced with war any morning; any day. It may come upon us with the suddenness of an automobile accident or like unexpected sickness. If we were thrown into war, we would be up here clamoring with all the patriotism we could muster to vote for \$5,000,000,000 here and \$5,000,000,000 there, and we would not blink an eye and every cent of that would be going out for destruction. The only result would be crippled and maimed soldiers which would require the Government and taxpayers of this country for years afterwards to take care of them; but here is a case where the money is spent for useful purposes, for constructive purposes, and for purposes that each community has needed for years. Every cent of money that has been spent is going to a good cause. The people of this country do not want any dole. They want to work for their money. We are not going to let people starve in this country. You have heard that time after time, and we, as citizens, do not propose to let the needy starve. Oh, it is fine to appropriate money and let the contractors take all the money, but this is the first time when Government money has gone out to the forgotten man, the little man at the bottom. Here is relief starting at the bottom and going up instead of starting at the top and going down. Of course, we should not spend any more money than we need to. We should try to balance our Budget and save our money in times when we are making it so that we will have it on hand in times of sickness and when we need it. That is the position of this country today. A nation is nothing but a cooperative society anyway, organized to help the people obtain some protection or some benefit that they could not obtain alone.

I have thought in the last few years that we were trending toward socialism in this country. I thought perhaps it would come in 50 or 75 years. I now think it will come probably a great deal sooner than that. There is only one thing that will save us from socialism in this country, and that is the success of Roosevelt and his "new deal."

I want to call the attention of the Members of this House to a letter I received from a standpat G.O.P. veteran who was wounded on the battlefield of the Argonne, who has a bullet next to his heart now because it cannot be removed, whose compensation was cut, and who is getting along during these times the best he can. Let me read you what he says about conditions in general:

There is sure some worthwhile conversation politically to tune in on these days. Now, both you and Mac know about how I stand politically. As far as the Democratic Party as a whole is concerned, I have never been able to see where it has been so hot in the past. It sure is comical to hear some of the brethren orate on the Jeffersonian principle idea. Said orator, who, if hard pressed, would be at a loss to explain. As to whether the bid for fame in that instance was based on the shinning up of Mount Shasta or the invention of a new-fangled kitchen mousetrap. All I can say at this late date is that if Thomas was guilty of some of the things that some of his political opponents accused him of, is that he was some stepper. However, at this time personally, my lack of faith in the Democratic Party is only exceeded and superseded by my entire lack of faith, trust, and confidence in the Republican Party. (May no shades of my G.O.P. ancestors be glancing over my shoulder as I type that statement.) And the dismal yelps and howls of some of the hide-bound, shell-backed, age-old Republicans in our little city are sure peaches and cream to ye scribe's ear, and would make "Me Too" White's eulogy of the Ku-Klux Klan sound like a beer-salesman's address at a German picnic in comparison.

And now eliminating both pro and anti factions from the conversation, I will give you the truth of the matter, at least in this vicinity. And that is that. I do not believe that the United States Government ever expended any large amount of money wherein a large percentage of the money expended reached the place intended or was of more material benefit. In this vicinity, Randolph, this Government work is a godsend. And believe me, the men employed sure appreciate it, and in the great majority of cases are showing that appreciation by doing a real day's work. There have been several home boys made here that have likewise been lifesavers. Just what the end will be is of course all guesswork for a fellow of my caliber. But sink or swim, win, lose, or draw, believe me, I remove my hat to President Roosevelt and this Democratic administration. They did not just sit down and say, "Now, if that isn't just too bad." Not much; they just grabbed root and commenced to growl and tug and dig. The old preamble to the Democratic platform, we view with alarm, has joined dodo bird or is being sung to the tune of "Who's afraid of the big, bad wolf," etc. And, say, that naval program, boy, oh boy, what-a-what-a building program! The best guaranty for peace in this hemisphere and the Pacific that I have seen since we scrapped our battle fleet in '21. The recognition of Soviet Russia, a master stroke of retaliatory (as regards Japan) and trade diplomacy, repealing the prohibition law, and, etc., etc. And here is where the shoe sure pinches many a Republican foot: Here is an administration that is really trying to carry out its campaign and platform pledges, and may the saints preserve us, it had to be a Democratic President and a Democratic administration! And that, Randolph, is just how the average, fair American regards this administration, regardless of what his politics may have been.

Now, I hope all of us will back the President in the recommendation I understand he is going to make to continue the C.W.A. [Applause.]

Mr. SWICK. Mr. Chairman, as a minority member of the Appropriations Committee and of the Subcommittee on Naval Appropriations, I would be most uncharitable if I failed to acknowledge the utmost consideration and courtesy extended to me by the gentleman from Kansas [Mr. AYRES], the able and genial chairman of the subcommittee, with whom I have had the pleasure of working during the past 6 weeks. The work of conducting the hearings incident to the preparation of the Navy Department appropriation bill was carried through to its conclusion with one thought in mind, that of providing for an efficient and effective first line of defense, and I believe the bill before you today is the best that could be offered, and hope it will meet with your approval.

I am told that an amendment will be offered by the Committee on Naval Affairs which will bring our Navy up to the full treaty strength. I am in hearty accord with such an amendment, as I have always been a firm believer in maintaining a first line of defense second to none.

During the course of the hearings I was interested in learning that the Navy Department, like all other Departments, had contributed to the redemption of the Democratic pledge to reduce the regular expenses of the Government 25 percent. It had been able to keep within its reduced budget by using so-called "emergency funds" allotted to it from the funds provided by Congress under the N.R.A. to carry on projects that would ordinarily have been financed in the regular way. I have no criticism to make of this work, which has helped to provide jobs and reduce the unemployment. I believe the Naval Establishment should be maintained at the highest possible point of efficiency.

I regret that the appropriations for the activities of the Naval and Marine Corps Reserves could not be larger.

I had hoped that we might give them more money this year than we were able to give them. However, they are placed on a parity with the other branches, as you will notice from this statement made by Admiral Block that it was the decision of the President that the National Guard, Marine Corps Reserve, and the Naval Reserve should have a uniform number of paid drills during the fiscal year 1935. The President himself set this number at 36. So that the 36 paid drills incorporated in the bill for 1935 are in conformity with his decision that the Army, Navy, and Marine Corps should have the same number of paid drills.

I do insist, however, that the present administration's policy of operating under a two-Budget system is ridiculous and misleading. In most instances the work and material paid for by the Navy Department out of funds allotted it

by the N.R.A. were necessary and routine projects, and would have been provided for in the regular appropriation bill had we been operating under a single-Budget system.

And here I want to place in the RECORD certain testimony in reference to the hedge clause. Examining these witnesses we found that 15 companies had bid on fuel oil. The three lowest bidders had hedged their bids about with these hedging clauses. The following information was submitted to the committee by Admiral Peoples:

Under schedule 989, opened November 17, 1933, covering delivery of fuel oil at various points on the east coast during the 3 or 6 months' period January 1 to June 30, 1934, a total of 15 bids were received. Three of these bids contained the so-called "hedge" clause. An analysis of bids showed that at many points the only bids received contained this hedge clause or that it was incorporated in the lowest bid. As it was considered that the hedge clause had been inserted because of possibility of price changes during the period the contracts would be effective, decision was reached to reject all bids and readvertise on a monthly basis.

It is interesting to know what they put in this hedging clause; and in order that the RECORD may show what it is, I insert a typical one at this point.

Subject: Restrictive provisions inserted in certain bids on fuel oil by bidders.

COLONIAL BEACON OIL CO., MEXICAN PETROLEUM CORPORATION,
STANDARD OIL CO. OF NEW JERSEY

"If the National Industrial Recovery Act, any code, regulation, or interpretation thereof, or any future governmental law, regulation, or order, or the depreciation of the currency of the United States by the reduction in the gold content of the dollar, the issue of fiat money, inflation, expansion of credit, or otherwise, shall directly or indirectly increase the cost of the seller in furnishing the products called for herein, or shall direct that such products shall be sold at minimum prices which shall be an increase over the prices provided herein, it is agreed that, upon 30 days' written notice by seller to buyer, the prices in this contract shall be revised from time to time to include such increase. Seller's statement of its increased costs and of their application in increasing prices hereunder shall be conclusive upon buyer, but buyer may cancel this contract as to any items affected by such costs at the end of such 30-day period by giving to seller at least 15 days' advance written notice thereof. However, in no event shall the revised prices be more than seller is willing to quote generally at the time of delivery on new business for the same products, quantities, territories, kinds of customers, and handling and delivery conditions as provided in this contract."

2. No awards were made under schedule 989 covering east-coast fuel-oil requirements January 1, 1934, to June 30, 1934, because of the above-quoted clauses appearing in the bids. East-coast fuel-oil needs are now being met by month-to-month purchases until firm offers for a longer period can be obtained.

3. In fact, the Comptroller General of the United States in a decision to the Secretary of the Treasury dated December 11, 1933, held that such a conditioned bid was indefinite and uncertain and not responsive to the advertised specifications, as the bid attempts to incorporate therein terms and conditions not offered by the Government to all bidders as a basis of competition. Consequently such a bid may not be accepted.

The only actual savings or reductions in expenditures in the Navy so far as the taxpayer is concerned were those brought about by reduction in the pay of personnel and the reduction in ration allowances, neither of which, in my opinion, is justified.

The uncertainty of the Government's financial policy, fear of inflation, and issuance of fiat money have made it difficult for the Navy Department to secure bids for supplies over an extended period. When bids are secured, they are frequently accompanied by a hedge clause, which would increase the bid prices by reasons of increased costs due to operation of the N.R.A. and other causes incident to so-called "recovery plans." By reason of this fact, the policy of letting contracts for 3- or 6-month periods was necessarily discontinued. Prices quoted in certain instances ranged from 40 percent to 66½ percent in excess of former prices; consequently, it was decided to make monthly purchases until conditions become more settled.

After hearing the chiefs of the various bureaus, every one of them men of ability and all of them conversant with their arm of the service and the details connected therewith, it became very evident that the economy program of the administration meant only this: a more complicated system of accounting, involving two drawing accounts with the Treasury of the United States, one of which was written in black ink, the other in red.

I do not believe it a good practice, or fair, to continue the policy of hoodwinking the taxpayers of the United States by attempting to show a balanced Budget through the means of a complicated accounting system. We all know that the national debt is increasing by leaps and bounds and will continue to do so for many months to come, as has been indicated by the President when he so frankly informed Congress that we will have a \$7,000,000,000 deficit at the close of this fiscal year. Why not face the facts and present them honestly, without subterfuge?

I cannot refrain from comparing the weeks required by this subcommittee for consideration of a routine supply bill with the remarkably short time required by this House to dispose of a bill passed last Saturday affecting the monetary gold stock and monetary system of the United States.

In the consideration of the Navy supply bill we had access to the experience of men identified with the Navy for years, together with the recorded history of former committee hearings, and yet, despite these enlightening helps, more than 6 weeks on almost daily hearings were required to perfect the bill.

Now, in the case of House bill 6976—a measure that proposes to make drastic changes in the Nation's monetary system and to place the sum of \$2,000,000,000 at the disposal of the Secretary of the Treasury, with practically no restrictions on what he shall do with that vast sum of money—considerably less than 1 week was required by the committee in charge for its consideration. In fact, I doubt much if the committee crossed a "t" or dotted an "i" in the bill.

The Navy appropriation bill which you have before you stands on its own feet. It is not bolstered up by weeks of propaganda.

The so-called "gold bill", giving unprecedented and exceedingly dangerous powers to an official who is only a political appointee—one who has been rewarded for his political activities rather than one who is in office by reason of the votes of the electorate—was passed with little consideration, because it embodied the much-propagandized impounding of gold and devaluation of the dollar. I personally am quite willing to impound the gold and to revalue the gold dollar, but I could not by my vote grant the Secretary of the Treasury or any other individual the right to play with \$2,000,000,000 belonging to the United States. Father Coughlin, who is recognized as a monetary expert by the administration, one of very few men called as a witness before the committee, in his radio address January 20, 1934, said:

Our Constitution proclaims that Congress and Congress alone has the right to coin money and regulate the value thereof.

He also said:

The will of the American people is that Congress shall retain that right by keeping the control of gold and by regulating its value from time to time when necessary, not abdicating this right into the hands of an appointed Secretary over whom they have little control.

He also criticized the internationalization of our gold. I have always believed that, as far as possible, we should keep our own gold in the United States and out of the hands of the international bankers.

I trust that this bill as passed by the House will be shorn of its autocratic powers and tempered with justice and safety at the other end of the Capitol.

I respect and admire the fearless and tireless manner in which the President has labored unceasingly since his inauguration to bring about national recovery. His has been a difficult task. I dare say no man in the United States has worked harder than he to accomplish his purpose.

Mr. Chairman, like the majority of men in the House I am past the half-century mark in life. I was blessed with a mother and a father who were typical of the sort of God-fearing people who make up the backbone of this great Nation. No man is infallible—that word can only be used in conjunction with the name of the Great Architect of the Universe. It is an insult to the intelligence of every Member of this House to say that we must accept the mandates of any individual citizen, regardless of his position, be it high

or low, without the right of comment or criticism. I have pledged allegiance to the Constitution of the United States and shall do what I believe is right for my country, regardless of the demands of any individual, party, or group of individuals. When the time comes that Congress adopts the policy of being a rubber-stamp, then representative government ceases to exist in these United States. [Applause.]

Mr. AYRES of Kansas. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. Dockweiler].

Mr. DOCKWEILER. Mr. Chairman, I hope what I say will be heard over at the White House and in the Navy Department.

Yesterday when CARL VINSON, Chairman of the Naval Committee, had finished his address on the subject of a great Navy, I asked him the question what his attitude would be, and his committee's attitude, on the removal of the fleet from Pacific waters to Atlantic waters at this particular time. He said he would not be willing to express his own opinion or the opinion of his committee on the subject, because that was a matter of Executive determination.

As a member of the Pacific-coast congressional delegation, I stand before you and protest the removal of the Pacific Fleet, which is our entire fleet, both the battle force and the scouting force, from Pacific waters to Atlantic waters. You will ask me what my reasons are. I am not raising the hue and cry of war. I am the last man in this House or in this country that will vote for war other than a war of defense; but, gentlemen, conditions are bad on the Pacific coast and in international affairs so far as the Far East is concerned. Would it not be far better to bring this fleet around to the Atlantic coast for maneuvers, not this spring, but the next spring or the following spring? These things can be done in years to come when times are not so ticklish in international affairs.

What do we find our condition to be today? We have not settled the Philippine situation by a long shot in this House or in the Senate or with the Philippine Legislature. This matter is now pending, and it is a serious situation. The Philippine Islands are populated by more than half Japanese. We have just recently witnessed the spectacle of the Japanese Government retiring from the League of Nations, and yet they have retained their mandated islands that were given to them while they were members of the League of Nations. We do not know whether the Japanese have put defenses upon those islands situated in Pacific waters. The Japanese will protest that they are a peaceful people. I admire the Japanese for what they have accomplished in the last 50 years. It was an American admiral that opened the Japanese Nation to the world, and they have done great things since that time. The Japanese have diplomatically protested the location of our fleet in the Pacific waters.

This fleet is not in my congressional district, even though I do represent many miles of the Pacific coast. This is not in my congressional district, and I do not speak from the standpoint of commercial advantage by reason of keeping the fleet in Pacific waters; but I tell you, gentlemen, that the Japanese protest the appearance of the fleet there, and they have apparently convinced the State Department and the Navy Department that in order to alleviate the critical feeling in Japan, which has been built up through newspaper publicity and propaganda in Japan, that our fleet should be brought around through the Panama Canal to the east coast at this time. But this is all a misnomer, so far as the Japanese Government is concerned, because their nation is completely censored. Nothing can be published in any newspaper in Japan unless it is properly censored by the proper Government officials. Consequently if there are articles being published in newspapers on the subject of the maintenance of our fleet in Pacific waters, that talk is generated by the propaganda bureau of Japan in order to keep the Junker party, the militaristic and naval party, in power in Japan. Is this the time to remove our fleet when this party is in control? The Japanese people are a people who desire peace, but these people are being controlled at the present

moment by the wrong sort of leaders—by executives who have built up machinery for war.

I remember when Woodrow Wilson declared war upon the Central Powers, he drew the distinction that he was not declaring war upon the German people, because they were a good people, but he was declaring war upon the German Government, the government that had brought about a situation that had caused the war, and he said he would stamp out that kind of government and return to the German people a popular government.

The Japanese have disregarded the nonaggression Kellogg Pact. The Minister of the Japanese Government, Mr. Hirota, has just addressed their Parliament, the full text of which speech is in the morning papers, and in which he obliquely complains of the Russian attitude toward themselves. We have recently recognized Russia. This apparently has been offensive to Japan. All of these things are occurring at this present moment and very recent history.

I tell you, gentlemen, this is no time—and I speak for peace—to remove the Pacific Fleet to the Atlantic waters. This is no time to remove the fleet through that little bottle neck, the Panama Canal, and into the expanses of the Atlantic waters.

There is another thing to be remembered. In my State there are over 100,000 Japanese, half of whom are native born and supposed to be citizens of this country under our rule of law, but under the imperial rule of Japan these people are still citizens of His Imperial Majesty.

[Here the gavel fell.]

Mr. SWICK. I yield an additional 5 minutes to the gentleman. I want to ask the gentleman a question.

Mr. DOCKWEILER. Yes.

Mr. SWICK. Has the gentleman taken into consideration the cost of transferring the Navy from the Pacific to the Atlantic?

Mr. DOCKWEILER. Yes. I have tried to get that figure, but I have not been able to get it so far. It will be quite expensive to remove the fleet from the Pacific to the Atlantic.

Mr. SWICK. I can give it to the gentleman. According to the best figures available now, it would cost approximately \$4,000,000.

Mr. TABER. Will the gentleman yield?

Mr. DOCKWEILER. I yield to the gentleman from New York.

Mr. TABER. I want to say to the gentleman that I am not very much of an admirer of the administration, but I do not believe that the Navy Department will at any time permit the removal of the fleet from any place where it is needed for the defense of the United States.

Mr. DOCKWEILER. In answer to the gentleman's question, I am not the kind of citizen who insists upon the keeping of the fleet in any particular locality just because it will produce commercial profit for that particular place. I believe every one of us in this Congress, as well as every other citizen, should rely upon the judgment of the Navy Department and the heads of that Department when they make any of these moves that apparently have some bearing upon the efficiency of the Navy or the Army. But, Mr. Chairman, I am fearful that Washington does not understand the real undercurrent on the Pacific coast. For this reason I have risen to make these remarks.

We have a situation in California, as I commenced to say, of over 100,000 Japanese. Their citizenship is quite dubious, as I have explained. Under the imperial rule they are still subjects of His Imperial Majesty across the Pacific waters, and yet we construe those who are native born as citizens of our own Government. Now, what kind of patriotism can we expect this to produce from such persons?

Also there is a distinct, diplomatic movement right now in my State and with the State Department here to relieve the Japanese and the Chinese of the embargo on immigration that is against them. They want to be placed under a quota, and I have this morning signed a letter to the President which, as I recall, was also signed by practically every one of the 21 Members of Congress from the State

of California, protesting the relaxation of the present statutory condition so as to permit any Japanese or any Chinese to come into the State of California or into this country, even under a quota system.

Of course, the Japanese say this is offensive to their natives, and that at home their local writers write this up and picture themselves as being discriminated against. Of course, Mr. Chairman, in California we have to discriminate against them. If they come in under any conditions, they cannot intermarry under our laws. If they come in under any conditions, they cannot expect social equality so far as our State is concerned. They cannot be assimilated as citizens under our laws. Consequently, is it not better for them that they do not come into our State, whether they are Chinese or Japanese?

Mr. Chairman, this is the position of California and myself, particularly, because I am a native son of that great State. I started 20 years ago to fight the encroachment of Orientals into my State. We have fought the fight and successfully, and we have prevented further encroachment by immigration of Chinese or Japanese into our State. Now, Mr. Chairman, they will come to Congress and ask for a modification of these immigration laws.

I warn you that the Japanese are going into the next conference in London in 1936, and they are going to ask for one thing. They are going to ask for the elimination of the aircraft carrier and the naval aircraft division between navies.

[Here the gavel fell.]

Mr. SWICK. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Mrs. KAHN].

Mrs. KAHN. Mr. Chairman, I was very glad to hear the gentleman from Pennsylvania say that an amendment is going to be introduced to bring our Navy up to treaty strength. It is just about time that we did something in this direction.

I need hardly tell the House how strongly all my life I have been in favor of national defense. When I say I am in favor of a strong national defense I do not mean in any sense that I am in favor of war. I abhor war in every way, shape, and manner. I feel our only protection against war is in an adequate national defense.

I hold in my hand now a copy of the San Francisco Examiner, which is running a series of war pictures, previously censored, that to my mind are the most potent argument in favor of national defense. These pictures are a timely reminder of what an inadequate national defense does, and are most opportune, lest we forget the price we paid for unpreparedness. Let us not err that way again.

Certainly, with unemployment a major problem, the stimulation given to industry by this program will be a real stimulation, not a false one. It will be a permanent stimulation, not a temporary one, putting men back to work at their own jobs in almost a hundred related industries.

I trust in the next fiscal year to see all appropriations for national defense in every branch increased, rather than decreased, for our own protection and for our prestige. [Applause.]

Mr. AYRES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. WEIDEMAN.]

Mr. WEIDEMAN. Mr. Chairman and gentlemen of the Committee, I fully agree with the sentiments expressed by the lady from California, who has just taken her seat, concerning her attitude on war. There is no glory in war. I am going to vote for this naval bill and for any other proper naval or Army bill that comes before this House. [Applause.] I will do that because we can have no peace unless we have an adequate defense. Let profits of war be conscripted. I hope when the bill is presented to this House to conscript the profits made out of war in the future it will receive approval, because, if it is necessary to conscript human lives in the conduct of a war, it is all the more necessary that no one be allowed to make any money or a profit out of war. If we do this we will not have so many advocating war.

If the theory of war is correct, a necessary defensive war should make patriots, and not war millionaires. Let us properly take care of the human wreckage cast upon our shores as a result of our last war for democracy before we allow ourselves to be drawn into another slaughter.

Now, I want to bring to the attention of the House a most vital matter—not a matter of potential destruction but a measure of construction. That is the continuation of the Civil Works Administration. I believe that a bill will be brought in asking the House to continue the C.W.A. until May 1. I think that is the only or chief remedy that has helped the depressed cities of the country and it should be extended beyond May 1 if necessary. I realize that there may be a difference between the rural communities and the urban as to their viewpoint of the C.W.A. For instance, spring is coming along. I understand from men representing the rural districts that the farmers are having difficulty in getting labor due to the fact that the wages by the Government in C.W.A. work is in excess of what the farmer pays his farm hands in some sections of the country. This will make it difficult for him to get sufficient help to work his farm. For this reason I believe the Administrator of this law should cooperate with both sections of the United States and of the various States and that when the quotas of the various States are reduced the reductions should be made from the rural sections. The reason for this is that the farms can take up the excess labor sooner than the industrial areas, due to the busy season on the farms being in the spring and summer. The quotas should be continued in the cities until industry is further established to again take up and absorb the unemployed.

I think, however, that is a matter of administration. I want to call the Administrator's attention to the future allocation of funds, that there should be some discrimination used in allocating this fund—that the cities should be favored.

If you will help in the reestablishment of our industrial centers we will be in a better position to pay a higher price for your farm commodities. There is no purchasing power in pauperism. The morale of the entire country is being restored rapidly by allowing men the chance to work and earn an honest living for their families. It is much nobler to give a man a pay check so he can buy in an open market than to give him unwillingly a welfare check for a few groceries.

Mr. KNUTSON. Will the gentleman yield?

Mr. WEIDEMAN. I yield.

Mr. KNUTSON. Does not the gentleman think that larger sums could be better used to provide more and better highways?

Mr. WEIDEMAN. I agree with the gentleman. There is no reason why the funds could not be used for highways—for more and better highways. I would be in favor of a liberal allowance for materials so men could be put to work and improve our national highways and to build new highways. I am in favor of building highways to enable the people to travel from one end of the country to the other in Detroit-built automobiles, the finest produced in any country of the world.

Now, I have not asked for one penny for my district from the P.W.A. I am one of those who believe that we should not make a grab at public funds every time the pork barrel is passed around. I should like more money for materials to enable us to build roads that all the people of the Nation can enjoy.

Now, Mr. Chairman, I ask unanimous consent to insert a telegram that I have received from the city clerk of Detroit and a letter from William Cohen, C.W.A. administrator for the city of Hamtramck.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WEIDEMAN. Now, I want to read this telegram:

DETROIT, MICH., January 22, 1934.

CARL M. WEIDEMAN,

United States Representative, House Office Building.

It is impossible for Detroit to proceed in a businesslike way with C.W.A. projects because of the suspension of funds for materials.

We urge your assistance in promptly securing such legislation as will make funds available for carrying on all present projects and further commitments. We appreciate your cooperation of the past.

RICHARD W. READING, *City Clerk.*

HIGHLAND PARK, MICH., January 15, 1934.

HON. CARL WEIDEMAN,

Care House of Representatives:

Would be serious to stop C.W.A. Do all in your power to continue same. Morale of the people would be ruined.

R. RAY MARKLAND,

Mayor Highland Park, Mich.

HAMTRAMCK, MICH., January 19, 1934.

HON. CARL M. WEIDEMAN,

House Office Building, Washington, D.C.

DEAR SIR: May I take this opportunity of calling your attention to the absolute necessity of Congress making adequate provision for the continuance of the C.W.A. program in Michigan.

As director of the C.W.A. in the city of Hamtramck I have personal knowledge of the tremendous benefit to this community as a result of the C.W.A. work.

Our Hamtramck C.W.A. employees receive approximately \$34,000 weekly, all of which is spent for the necessities of life which have been so long denied them.

All of the projects upon which the C.W.A. workers are employed are of a permanent and lasting nature and are projects which were necessary for the welfare and benefit of the community at large. Most of the projects consist of work which has long been delayed by the administration, due to lack of funds.

At a recent meeting of the Hamtramck retail merchants it was unanimously agreed that their business has increased considerably, due to the additional sales made possible by the money spent by C.W.A. employees.

Approximately 1,800 residents of the city of Hamtramck are now employed on Hamtramck C.W.A. projects. At least 1,100 of these were formerly receiving dole from the welfare department. Said employees are no longer dependent on charity but are earning their own living, and an attitude of optimism toward the future has almost completely dispersed the dark clouds of pessimism which formerly prevailed.

It is the consensus of opinion that the C.W.A. program has shown tangible beneficial results and is one of the most, if not the most, helpful measures yet adopted by the United States Government in combating this depression.

On behalf of the city of Hamtramck, its residents, citizens, and business men, and those who have finally found their independence through employment on C.W.A. projects, I urge you, as our Representative, to assist with all the power at your command in passing the necessary legislation to continue the C.W.A. program.

Thanking you, I remain,

Very truly yours,

WM. COHEN,

Hamtramck Director, C.W.A.

The gentleman from Massachusetts [Mr. GIFFORD] said that none of this money should be given to cities that have no tax burden. Up to this time I have failed to read of any notice from anybody in Massachusetts saying that they do not want this C.W.A. money. They are still taking it. As far as Detroit is concerned, we are getting on our feet. The automobile industry is picking up. I talked yesterday with a representative of the Pittsburgh Plate Glass Co. He said that their factory, making automobile glass, is working to capacity to fill the orders for the automobile plants. But notwithstanding that, we are not yet on our feet. The few thousand men thrown out of employment by the curtailment of the C.W.A. last week were thrown on the welfare relief roll. I think you should give us more time to rehabilitate ourselves, and I think you should appropriate some more money for the C.W.A. work, even after May 1, until we can get our industry started again. We are willing to bear with the gentlemen from the agricultural districts. I think the Representatives from the cities went along with you, hook, line, and sinker, all the way. We will do so in the future. We want to help you, and we will go the full limit for you. In addition, we are asking you when this bill comes up to go along with us, and I think it should be brought to the attention of the administration that the farmer should not be handicapped by putting too much of C.W.A. labor in rural districts in competition with this farm labor. The farm and the factory must recover from this depression together. We have a mutual problem.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. AYRES of Kansas. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H.R. 7199, the naval appropriation bill, and had come to no resolution thereon.

REFINANCING OF FARM DEBTS

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 6670 to provide for the establishment of a corporation to aid in the refinancing of farm debts, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Texas asks unanimous consent to take from the Speaker's table the bill H.R. 6670, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference. The Clerk will report the bill.

The Clerk read the title of the bill.

The Senate amendments are as follows:

Page 1, line 3, strike out all after "That" down to and including "charter" in line 5, and insert "there is hereby established."

Page 1, line 7, after "The", insert "principal office of the corporation shall be located in the District of Columbia and the management of the corporation shall be vested in a."

Page 1, line 8, strike out "of such corporation shall consist" and insert "consisting."

Page 1, line 10, strike out ", the" and insert "of the Farm Credit Administration, hereinafter in this Act referred to as the 'Governor', and the."

Page 1, line 10, strike out all after "Commissioner" down to and including "cause" on page 2, line 10.

Page 2, line 17, after "bylaws", insert ", rules, regulations."

Page 2, lines 17 and 18, strike out "to the charter of the corporation" and insert "thereto."

Page 2, line 19, after "corporation", insert "authorized under this act."

Page 2, line 23, after "compensation", insert "and duties."

Page 2, line 25, after "corporation", insert "by this act, to require bonds of them and fix the penalties thereof and dismiss them at pleasure."

Page 3, line 2, strike out all after "paid," down to and including "amended", in line 7, and insert "but the rate of compensation of such agents, officers, and employees of the corporation shall be subject to the limitation contained in section 66 of the Farm Credit Act of 1933: *Provided*, That no person shall be appointed as an agent, officer, or employee of the corporation under this act at a salary of \$4,000 or more per annum except with the advice and consent of the Senate."

Page 3, line 13, after "powers", insert "as may be."

Page 3, line 15, strike out all after "this" down to and including "thereto", in line 17, and insert "act."

Page 4, lines 8 and 9, strike out "and made available to the governor" and insert "to the corporation."

Page 4, line 11, after "issue" insert "and have outstanding at any one time."

Page 4, line 11, after "an", insert "aggregate."

Page 4, line 12, strike out "in the aggregate."

Page 4, lines 12 and 13, strike out "at any one time outstanding."

Page 4, line 20, strike out "States," and insert "States."

Page 4, line 21, after "and", insert "such bonds."

Page 4, lines 21 and 22, strike out ", on account of such guaranty."

Page 6, line 4, strike out "a" and insert "any."

Page 6, line 4, strike out all after "bank" down to and including "amended," in line 6.

Page 6, line 7, strike out "value;" and insert "value issued under the Federal Farm Loan Act, as amended."

Page 6, line 7, after "exchange", insert "such."

Page 6, line 11, strike out all after "cash," down to and including "amended," in line 13, and insert "such consolidated farm-loan bonds."

Page 6, line 14, strike out "price" and insert "prices."

Page 6, line 15, strike out "and."

Page 6, line 17, after "bonds", insert ", and to invest its funds in mortgage loans made under section 32 of the Emergency Farm Mortgage Act of 1933, as amended."

Page 7, lines 9 and 10, strike out ", but this provision shall not apply to the issuance of any bond to refinance" and insert "except for the purpose of refinancing."

Page 7, lines 15 and 15, strike out "or under section 32 of the Emergency Farm Mortgage Act of 1933."

Page 7, lines 17 and 18, strike out "or the Land Bank Commissioner, as the case may be."

Page 8, lines 22 and 23, strike out "Upon issuance of the charter of the Federal Farm Mortgage Corporation, the" and insert "Until February 1, 1936, the."

Page 8, line 25, strike out all after "of" down to and including "bonds" on page 9, line 4, and insert "the Federal Farm Mortgage Corporation either in cash or in bonds of the corporation at his election. Not to exceed \$600,000,000 of the bonds and proceeds thereof."

Page 9, lines 6 and 7, strike out "but the face value of bonds which may be issued for such purposes shall not exceed \$600,000,000" and insert "in addition to the amounts transferred to such corporation under section 3 of such act."

Page 11, line 4, after "Governor", insert ", with the approval of the Secretary of the Treasury."

Page 11, line 16, after "is", insert "further."

Page 12, strike out all after line 10 down to and including line 21, and insert:

"SEC. 16 (a). The first sentence of the eighth paragraph of section 13 of the Federal Reserve Act, as amended, is further amended by inserting before the semicolon after the words 'section 13 (a) of this act' a comma and the following: 'or by the deposit or pledge of Federal Farm Mortgage Corporation bonds issued under the Federal Farm Mortgage Corporation Act.'"

"(b) Paragraph (b) of section 14 of the Federal Reserve Act, as amended (U.S.C., title 12, secs. 353-358), is further amended by inserting after the words 'bonds and notes of the United States' a comma and the following: 'bonds of the Federal Farm Mortgage Corporation having maturities from date of purchase of not exceeding 6 months.'"

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. JONES, Mr. FULMER, Mr. DOXEY, Mr. HOPE, and Mr. KINZER.

NAVAL APPROPRIATION BILL

Mr. AYRES of Kansas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H.R. 7199, the naval appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the naval appropriation bill, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

Mr. AYRES of Kansas. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, being connected with the Committee on the Judiciary of the House, I am in a position to appreciate the pressure being exerted on the Federal Government by the States, by subdivisions of the States, and by the people to take over a larger and larger share of governmental responsibility and just now of enforcing the criminal laws of this country. I believe every student of the situation, regardless of his politics, will not fail to be apprehensive as to the probable effect upon the governmental capacity of the people of the Federal Government doing for the people so many things during this emergency which the people, through their State governments and their smaller units of government and as individuals have formerly done for themselves. I believe it will be agreed that there is a law of nature, universal in its application, under which power to do things is lost by the people who cease to do them. That law is stated most generally, I believe, that nature will not waste her energy. I believe we all appreciate the necessity—I think I do—of the Federal Government doing now most of the extraordinary things that are now being done by it dealing with the economic situation of this country; but the doing of those things by the Federal Government tends to have the people for whom those things are done want their Government to do many other things. This economic program, justified by necessity, creates for them a mental attitude of dependence, a lack of self-reliance, a lack of courage, a lack of determination to take care of their own affairs. In the presence of a situation like that it seems to me the clear duty of public officials and Members of Congress, of everybody, to hold to the people of the State all of the governmental responsibility which they have the governmental capacity to discharge. It must be evident to every student of the present situation that when we come to abandon, as we shall, the present method of doing things, it is going to require people of a great deal of governmental

capacity to take up and carry on where the Federal Government is going to have to leave off, and to take care of the governmental responsibilities of the people.

WHAT IT IS ALL ABOUT

I believe, too, that every student of what it is all about—this living on this earth for a brief time—must agree that what it is all about is evidently nature's effort to develop people. Certainly it is Nature's plan to develop people by forcing people to do things that are difficult. For these reasons I am anxious, having concern for the future governmental capacity of the people, that the people shall not shift the enforcement of the criminal law to the Federal Government, and that the agents of the Federal Government shall not reach out and take those responsibilities from the people. It is not the mere matter of sending somebody to the penitentiary or of hanging somebody or who or what agency of government shall do it that is involved. The question is shall we leave to the people something to do that will enable that people to develop their capacity to govern against the day when they are going to have to tackle the biggest job the people of any country ever tackled. That is just plain, ordinary, common horse sense. It is largely through the governmental agencies of the States, which function largely through officers chosen directly by the people in the political subdivisions, such as counties and cities, that State governments operate. Everybody who has any sense knows that we cannot continue to run this Government and its economic and political machinery by somebody in Washington telling everybody what to do and letting them have a part of their own money back in order to induce them to do it. There is a vast difference between a governmental arrangement where public officials are selected to effectuate the public will and a governmental arrangement where appointed officials substitute theirs for the public will and effectuate that substituted will through bureaucratic organizations. The latter, we may concede, tends for the moment toward a more efficient government, but at so great a draft upon the governmental capacity of the people as to warn of its danger and of the necessity to abandon it as soon as the emergency is ended.

EFFICIENCY OF GOVERNMENT DEPENDS UPON THE GOVERNMENTAL CAPACITY OF ITS CITIZENS

Since the efficiency of government such as ours is dependent upon the governmental capacity of its citizens, it is my contention that while acting through concentrated governmental power in order more effectually to deal with a great emergency, the destructive tendencies of such arrangement should be counteracted as far as possible by leaving with the people of the States the doing of all governmental things within their power which are not necessary to be done by the Federal Government in order effectively to deal with the emergency.

Now, I have called attention to a community that I have been studying. I had something to say about it the other day. I have been watching with great interest the city of Chicago undertaking to deal with its problem. Chicago attracted national attention a few years ago by reason of the fact that it was gangster-ridden and apparently gangster-controlled. Every person who has been to Chicago lately, who has watched the signs of the times there, and who is familiar with the situation at all, knows that those people have grown tired of being bossed by a lot of gangsters. What made them grow tired of it? It was the gangster who made them grow tired of it. The Federal Government might have gone after these racketeers, but it is my contention, not my contention merely, it is a fact, that the Federal Government would thereby have robbed the people of Chicago, and robbed itself of the chance to have the type of citizen in Chicago which their fight against these criminals is developing. The getting rid of these gangsters is not important, but the struggle of the people, the development of the people in getting rid of the gangster is the important thing. The strength which they get, the consciousness of responsibility, the strength of an aroused civic decency, is the important thing; and the depredations and tyranny of the

gangster apparently were the only things that could give it to them.

Cities may be a little slower than the appointed agents of the Federal Government. Great results do not come quickly. It takes a good while to bring about great results. The regeneration of the people of a great city is a great result. That is another one of nature's notions about how it does things. We may not like it, but there is nothing we can do about it. When we see people beginning to be stimulated, aroused, making an effort, I do not care if it is a feeble effort, if it is in the right direction for an agency of a supergovernment to come in and let those people sit down and relax where they were, is an act against the best interests of this country.

On yesterday I had called to my attention an editorial published in one of the Chicago papers. It made reference to some observations which I have recently made concerning the effort of Chicago to rid itself of the gangsters. It is a short editorial. It is one that is constructive and helpful to all, and I ask unanimous consent to extend my remarks to insert the editorial.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There was no objection.

Mr. SUMNERS of Texas. I refer to Chicago because it is our outstanding example familiar to the people of all the country.

The editorial referred to is as follows:

[From the Chicago Daily News, Saturday, Jan. 20, 1934]

CHICAGO AS A NATIONAL EXEMPLAR

If the ears of Chicago burned yesterday, they had unusual occasion. A friendly voice from another State was raised in commendation of the city's morale in fighting crime. It was a reversal of experience and therefore the more gratifying. But no false modesty can induce a good Chicagoan to say the praise was unmerited. Representative HATTON W. SUMNERS, of Dallas, Tex., a lawyer and for years a public prosecutor, made the floor of the House of Representatives a rostrum for depicting Chicago as an example of self-reliance and effective energy in dealing with the racketeers and other criminal denizens of its underworld.

Mr. SUMNERS, who is Chairman of the House Judiciary Committee, formed his laudatory impressions of Chicago and its citizenship last summer while participating in that committee's investigation of local crime conditions. His timely point, driven home and illuminated by reference to Chicago, is that danger lies in the increasing dependence of American citizenship upon Federal aid even in local affairs. He sees the probable development of a flabby and resourceless spirit in States and municipalities if the tendency to shift burdens to remote shoulders is not checked, if there is not a revival of courage and self-confidence on the part of local governments. He is by no means alone in that disturbing appraisal of current trends.

Against that fear he sets as encouragement and inspiration the story of Chicago's awakening. Chicago, he asserts, affords the most magnificent demonstration to be found on the continent of the ability of its people to govern themselves.

Some may take exception to that sweeping tribute and discount its unmeasured terms as Texan eloquence. It is qualified by Mr. SUMNERS' statement that Chicago yet has much to do. Every Chicagoan knows the truth of that, and if the Texan's praise is fully to be justified that truth must be borne constantly in mind. There is no question, however, that the civic morale is higher today than it has been for years. The arrogance has gone out of the underworld. Its tail is between its legs.

Coincidentally with Mr. SUMNERS' congratulatory words President Frank J. Loesch, of the Chicago Crime Commission, declared at the commission's annual meeting that the last year had been notable for the vigorous warfare waged on organized crime by local authorities. Criminals have been driven to desperation by police and public prosecutors. The city is riding the lawless elements by which it once was ridden. National recognition of its fight against crime should stimulate Chicago to maintain that fight and also its fight against political corruption, against franchise fraud. Acclaimed as exemplar of self-reliant courage, Chicago must not fail to live up to that role.

Mr. BRITTEN. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. BRITTEN. Will the gentleman give the name of the newspaper?

Mr. SUMNERS of Texas. It is the Chicago Daily News.

Now, in order that I may not detain the House any longer than necessary, I am going to ask unanimous consent to revise and extend my remarks, and then I am going to read a speech that I made last fall before the Flag Association of the United States when they were discussing the suppression

of crime, and I discussed the "Responsibility of the people for the suppression of crime."

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There was no objection.

THE PEOPLE ARE THE GOVERNMENT

Mr. SUMNERS of Texas. I discussed the responsibility of the people for the suppression of crime. I do not like to be continually discussing this subject, but it happens to come to me and other members of the Committee on the Judiciary as it probably does not come to the rest of you gentlemen.

There may be crooked officials who make copartnership with hijackers, and kidnapers, and racketeers, and murderers, but these officials have been selected by the people. That more or less intangible thing spoken of as the "government" cannot select public officials. It cannot tell them what to do. It cannot discharge them for breach of faith. It cannot sit on juries. It cannot convict criminals. It cannot create the necessary public opinion. Such a government does not exist aside from the people who possess all its powers, operate its machinery, formulate its will, and create the public opinion and public purpose which is its supreme law and dynamic force. It has no agencies except the people through which to correct any condition. The people possess all the power there is, and therefore fundamentally and basically all the responsibility there is.

The only government we have is myself and you, my neighbors and your neighbors, just we, the people. Every failure of such a government is my failure and your failure, the failure of the people. There is nothing more absurd than the favorite indoor sport of the American people, "cussing" the Government.

We got started wrong insofar as the suppression of crime is concerned, and rather naturally so. Many of our ancestors were fugitives from governmental oppression. In the effort to protect the individual against the crimes of the State, we have so weakened the State by legislation, by judicial construction, and by the attitude of public opinion and public sympathy that money and organization give to crime a large element of immunity from punishment.

There is much truth in the saying that technicalities which used to make justice in spite of law, with us make law in spite of justice.

With us, the proper presumption of innocence and burden of proof have been distorted beyond all rational proportions. Revolting against the old custom of torturing defendants to force confessions, we have not only secured the defendant from being put to any involuntary examination, but we have gone so far that even under circumstances where every social duty imposes the obligation to make an explanation, and every impulse of an honest person would be to explain any reference in argument or otherwise to the failure of the defendant to avail himself of the privilege and natural duty to testify, is held to be reversible error.

In many of the States now in the trial of criminals supplied with plenty of money, the trial judge, instead of having the necessary power to control the trial, sits in a reserved seat refereeing a battle between lawyers, witnessing a judicial farce.

Whose business is all this? It is the people's business. It is their responsibility. Of course, there is the responsibility of leaders, but the people choose their leaders. There can be no leaders without followers.

There can be no decent governmental conditions among a people who permit newspapers to come into their homes which place before their children as men of courage and as heroes these dirty rats, lost to every sense of true courage and civic obligation, who, by political corruption, machine guns, and cowardly assassination make the lives and homes and property of supposed-to-be-free American citizens insecure. There can be no decent governmental conditions while these supposed-to-be-free American citizens are afraid to testify as witnesses, shirk their obligations as jurors. There is one other thing, the people must put into their proper place these murderer and hijacker aid societies,

these old sisters and sisterettes who, whenever a jury has had the courage to rid society of one of these people who has forfeited his right to live, begin bedeviling the Executive to undo the work of a courageous jury.

The time has come when as a responsible, self-governing people, we must begin intelligently taking care of the business of a self-governing people.

It is perfectly evident that we have been getting away from the "I and we" notion of government, and shifting to the "they and it" notion of government, and as we have done so we have been moving further and further toward the condition at which we have arrived.

WHAT PRICE JAZZ

We could not be bothered. We had all got young. Instead of pointing the youth of the country to persons of stable, sound judgment, meeting the serious responsibilities of life, youth became the ideal. Everybody got a horn. On with the jazz; getting a little gasoline to go somewhere, to leave there to go somewhere else, in such a hurry to see some distant mountain that we did not have time to look at the mountain we were passing.

We have refused to heed the admonition of sound-thinking, serious students of public problems, and have yielded the public forum to those who would bite a dog anywhere in order to make the front page of the public press.

There is no mystery why organized crime walks the streets of our great cities unafraid. We have refused to make our contribution to the formation of an advised, conscious of responsibility, intelligent public opinion, which is the only safe guide for government among a free people. We have applied in its stead in no small measure the theories of some persons who evidently got overheated in the process of education; too much temperature, too many college degrees, too many theories, too much fermentation, and too little of the sunshine of common sense in their curing. They are supposed to have been doing our thinking for us. As a matter of fact, much of what they have paraded, as the result of their original thinking, are schemes and theories which they have dragged from the junk heap of discarded failures.

If perfection and the absence of criminal inclination are the normal state of man, such theories as that these enemies of society ought to be sent to hospitals instead of punished, would not be so absurd. But we all have criminal inclinations. People cannot live together on this earth if the aid to self-control of a reasonable certainty of punishment for crime is withdrawn.

Confucius was evidently a man who walked about the world with his eyes open. He said that knowledge without thought is labor lost. These people have been losing a lot of labor. He said also that thought without knowledge is dangerous.

PEOPLE ARE BEGINNING TO THINK AGAIN

These are dangerous times. We are trying to think now.

Our faces are turned toward higher ground. Of course, we are still willing to escape our difficulties, to pass them on to somebody else, but we are beginning to realize, however, that we will not be able to do so. There is nobody else.

We will not be able to turn over the suppression of crime to public officers while we take a vacation from civic duties. We are under the lash of necessity. This task which we are going to have to put our shoulders to is not going to be such a bad thing for us. This sort of thing which we are going to have to do is as essential to the development of a great people as is the necessity to struggle in order to break through an opposing football team essential to the development of a great football team. The great epochs in the world's history are those, and only those, when the people, with a high purpose and a will that would not yield, have fought their way through great difficulties to the consummation of great victories. We have the chance, the challenge, the necessity to make this the greatest age of all time.

May I follow through with this football illustration? Great football teams are not made great by weak opposition. Neither are they made great by having the captain do all the playing. Just as the youth learns how to play football

by playing it, people learn to govern by governing, how to suppress crime by suppressing it, by working at the job themselves. It is the universal law of life. Nowhere, except in government, is there failure to recognize this fact, and it is in the realm of government that this age is registering its colossal failure. Governments are not accidents. They are governed by natural laws which people must respect. We may be able to go places faster than our ancestors went, but we are not following their example when we beg to shift the responsibility of local domestic government and personal responsibilities to a great Federal bureaucracy, and when we cower in the face of an organized, superimposed government of criminals.

It is not in the development of government or of any other such thing per se that nature is concerned. It is in the development of people that nature is concerned. That is what it is all about, this living on this earth for a brief space of time. Whatever operates against the development of people operates against the plan of nature, and in violation of the laws of nature which have been provided to make certain the cooperation of human beings in carrying out nature's plan. Human beings who refuse to cooperate must pay the penalty. We are paying it—this scourge of crime.

DIFFICULTIES, THEIR PLACE IN THE SCHEME OF THINGS

It is for this development of people that such difficulties as suppressing crime are provided. Difficulties are nature's gymnastic paraphernalia provided for the development of people. These difficulties in government are a part of that equipment. Government could have been made a fool-proof, self-perpetuating thing. Everything could have been made all right, but we would have been as a field of cabbages. No great character ever came out from the Tropics, where he had only to climb a tree for his breakfast, and pull off a few leaves on the way down to make himself a full-dress suit.

The right of the States to govern was never important, but the necessity of the States to govern always was important and always will be important, because they are the agencies of government in which the private citizen has the greater power and the greater responsibility.

The best way to study a big question is to reduce it to such dimensions as to bring it as an entity within the scope of human comprehension. These general problems of law enforcement and the effect upon individuals and communities of the presence or absence of the sense of responsibility of the people have come several times under my personal observation. I am not discussing theories; I am discussing what I have seen.

I was prosecuting attorney of Dallas County when we were completing the task of emerging from wild-west conditions. A condition obtained in one of the best village sections of the county which was highly unsatisfactory to many of the people there, but they did not want to come out into the open in their opposition. Some of them were merchants. They were afraid of the hurt to their business. As far as they would go at first was to tell me in confidence of conditions and ask for their correction. They wanted somebody else to clean up their local condition. In that state of public attitude nothing effective could be done about it. I watched the evolution of that people through the several stages from that in which they would not do right because it would probably cost them money and might involve some personal danger to them, from a feeling of dependence and helplessness to that when those same persons were standing up courageously in open meeting putting themselves and their money to the task. Persons developed into leaders who never knew before they had that ability. There developed during that struggle a community solidarity, a consciousness of responsibility, and a militant decency. With the accomplishment, which was easy then, came a sense of community power, of courage, and of self-respect, which through all the intervening years has been their glory and their salvation.

Several years ago this community was visited by a terrible cyclone. Many of its people were killed and many more wounded, with corresponding property loss. I heard of it very early next morning. It was my old home. I was preparing to go out with a relief expedition from Dallas. Be-

fore we could get away a committee came in from the stricken community and told us that they appreciated what we were proposing to do, but that they had taken care of the situation. In an hour and a half after the storm the citizens had taken care of their dead, got their wounded to the hospitals, estimated their damages, taken stock of their resources, and without any pose, with ability and resolution, set about the work of relief and reconstruction.

I have recently been to Chicago. There was a great fair in progress, but there was something greater than the fair going on in Chicago, which had for me too strong a competition in interest for me to spend more than an afternoon at the fair. The people of Chicago, under the lash of necessity—when I speak of the people of Chicago I mean the individual citizens of Chicago—with a new-born courage are awakening into action, into consciousness of responsibility, and are feeling the thrill of power. They are beginning to demonstrate the capacity of that people for self-government. How long their difficulties, their necessities, this task of the criminal shall be required to break the lethargy of that people and make them to be the type of citizens which the general necessities of Chicago require, no one can forejudge. But they are moving in the right direction.

It is not the war on gangsters which is important; it is not the ridding of that community of gangsters which is important. The gangsters, under the circumstances, are the best asset Chicago has. They are the nasty tasting dose of medicine which a sick community had to have. These gangsters are not the disease; they are the evidence of the disease and of nature's effort to cure it. They have not happened accidentally. There is no result without an antecedent adequate cause. That cause lies deep. If that community had been civically healthy, these rats could not have lived in their midst.

The great thing is not getting rid of these gangsters but getting rid of that something in the attitude, in the purpose, in the courage of these people which made these gangsters possible. The development of decent attitudes among the people, the development of leaders among those who never knew before they had the capacity to lead, in a sentence it is the redemption of the people of Chicago resulting from the inescapable necessity to struggle to free themselves from the power of these criminals which is the thing of importance.

THE FEDERAL GOVERNMENT COULD HAVE ROBBED CHICAGO OF ITS CHANCE

That is why I opposed the Federal Government going into Chicago and robbing that people of the supreme opportunity to develop themselves, and to demonstrate their ability to win a great victory, and in that winning redeem themselves and stand forth as a great people, to stand forth for all time as a great testimonial to the capacity of Anglo-Saxon people to govern themselves.

Of course, Chicago is not going to get rid of these criminals permanently any more than a farmer cultivating his fields, ridding them of the weeds which would choke out his crops, gets rid of all the weeds for all time. It is the weeds and the hazards and difficulties in raising crops which makes good farmers, just as the hazards of a golf course makes a good golfer. No farmer need have fear that he will ever get his fields so clean and in such perfect condition that he will deteriorate as a farmer because there is nothing to do. Nature takes care of that in the fields of corn, and in the fields of government.

I suppose a grown man could carry the football for his young son through the line to the goal better than the boy could do it, and if the big thing was getting the ball to the goal that would be the sensible thing to do, but the thing of importance is the physical and mental development which nature gives to the young boy as a reward for his struggle to place the ball behind the enemy's goal line.

Even if it were conceded that the Federal Government, or any other agency, could suppress crime, which it cannot, and take care of all the other things which are of concern to the people, and thereby relieve the people of the necessity to do it, that would no more prove it a good thing to do

than would the fact that the father could be more effective in placing the ball behind the goal line prove that he ought to do it while his young son sat on the side line and watched.

I have no apology to offer for continuing to use this illustration because the laws of nature are the same everywhere and are universal in their application. The thing, however, which makes this football illustration inapt in an important particular is that there is with us in the suppression of crime, fundamentally considered, no father and not even an Uncle Sam, in the sense that we have fictionized that bewhiskered caricature. We have no king. We have no hereditary nobility, no ruler by divine right. Our Government is not an "it"; it is not a "they." There is no government other than ourselves—myself and you—the people. Whenever we take a vacation from the discharge of our duty to govern we pay the price in corruption, in inefficiency, in the hijackers, kidnapers, in the reign and rule of crime of every sort.

We have been taking a vacation in this country. That is what is the matter with us. Not until the last few months has it been possible to bring to public consideration anything which burdened thinking and required the serious consideration of serious matters. There are a number of indications that we are at the end of the vacation.

In order that I may not be misunderstood, I want to say that I realize that, by reason of certain surrenders to the Federal organization when the States came into the Union and that the States maintain no border patrol, there are certain Federal responsibilities, but most of these can be cared for by compacts among the States without necessitating a duplication of State and Federal police personnel, and without going any further than we have gone toward converting our Federal courts into police courts adjudicating matters of internal police control.

But I want to warn you now that, unless the people set their faces against it, the time is not far distant when the Federal Government will be stepping in, and as a result the States and the communities and the private citizens will be stepping out, not in the same degree, perhaps, but in the same way as occurred with regard to prohibition. It is not only in government that this may be observed but it is everywhere in life. Divide responsibility between the greater and the lesser and the lesser loses his share by surrender or by usurpation.

ONLY BY GOVERNING CAN CAPACITY TO GOVERN BE PRESERVED

There is no way under heaven or among men by which the capacity of a people to govern can be preserved and developed except by governing. There is no way to have the people in their private lives and in their homes before their children stand forth as an influence in behalf of things which are the antithesis of crime and cowardice and in favor of good and efficient citizenship except for them to be an actual, courageous force in the suppression of crime in their community. In this we see the practical philosophy of preserving the power of local government and the responsibility of the private citizen. It is that responsibility which is the great developer of good citizenship and of governmental capacity, which is the only foundation strong enough to bear the weight of a great governmental superstructure such as we have.

We might burn our Constitution and tear down our capitol, but if we preserve the governmental capacity of our people they would build again. But if the capacity of the private citizen to govern is lost through its nonuse, the Constitution dies, and our capitol becomes monuments of our failure. This we know, nature will not give greater power where the power possessed is not used. It will not waste its energies. The fish in the Mammoth Cave have no eyes. Tie your arm by your side and it withers. The active, determined, courageous discharge of the obvious duty of the private citizens, who, in fact, are this Government, is not only necessary in order that the shameful reign of crime shall end in this country, but it is necessary because of its effect upon these private citizens and upon their capacity to preserve the governmental institutions of a free people. [Applause.]

Mr. CANNON of Wisconsin. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. CANNON of Wisconsin. The gentleman referred to the Chicago gangster a moment ago. Is not the crime condition throughout our Nation, particularly in Chicago, due to the judiciary more than anything else? How does the gentleman account for the fact that in the city of Chicago, where they have approximately 3,000,000 people, they have around 65 or 70 criminal court judges, while in the city of Milwaukee, where they have almost 1,000,000 people, we only have one criminal court judge, and we have the model city of the United States as far as crime is concerned?

Mr. SUMNERS of Texas. Let us assume that Milwaukee is the model city. I have heard many good reports about it. But I want to answer the gentleman's question. When we get right down to the bottom of it, the responsibility is not the judges, because the judges do not get their own jobs by their own volition. The judges are either appointed by somebody whom the people elect, or the people elect those judges. I know it is not the right way to court public applause. The right way to do it is to abuse somebody else and tell the people they are all 100 percent right and somebody else is wrong, but that does not get us anywhere. Only an aroused, determined private citizenry can do it. In a sense, the Government is the agent of the people, but in just as definite a sense, the people are the agents and instruments of the Government. Governments are provided for in nature just the same as human beings are. People have to have government. That shows it is provided for in the scheme of things. Let me illustrate; I have to go to the farm for my illustrations. I do not see how you town-raised people ever did get any real information. Suppose I ride by somebody's farm, and I do not like the way that farm is being conducted. It is rundown; the crops are not being properly cultivated. I am the one who hired the people who work that farm, I am the one who tells the people who work that farm what they must do and what they may not, and I am the only one who can discharge them. Would it lie within my mouth to go around criticizing the owner of the farm because the thing was not done right? I know we get a lot of satisfaction cussing the Government, but we, the people, employ the persons who operate the Government.

ONLY A PEOPLE CAPABLE OF SELF-GOVERNMENT CAN DEFEND THEIR LIBERTY

And we, the people alone, can tell them what to do. We alone are the people who can discharge them. If there is anything being done wrong in the operation of the Government fundamentally, we, the people, are to blame and not that intangible thing which people love or ought to love with that holy love called patriotism. Only a people possessed of power and conscious of responsibility can guard that government and perpetuate its institutions. A people bottle-fed and rocked to sleep by the hand of a great Federal bureaucracy cannot do it. Neither can the great Federal bureaucracy do it. The plan of God in nature is made sure of final execution as well by the limitations placed upon human capacity as by the capacity given to human beings.

I see where we are drifting and I do not like it. I do not want to see the people of this country turning over to the Federal Government the protection of the lives and property of the people of this country. I want to see the people of this country retain all of the governmental responsibility which they can discharge because only such a people can keep a country free. I have no pet theories about this matter. Only a deep concern for the happiness and security of my people and of my country prompts me to speak. When a people weaken from lack of exercise, of their governmental muscles, if I may use that expression, then they are easy marks and become the prey of any scoundrel who gets into public office or into positions of economic power. But when you have got a strong people, conscious of governmental responsibility, growing stronger and more capable all the while through the discharge of that responsibility, if we are not the right people in Congress, they take us out and put the right people here. They do the same thing in other

positions of public importance and power. But I do not care what else you have. If we permit the great body of American citizenship to lose their governmental power by its nonuse, I do not care who your statesmen are, what their capacity is, I do not care how eloquent they are. I do not care what may be the wisdom of the man who holds public office, this country cannot preserve its institutions—no people can preserve their liberty who lose the strength to defend it. We have no kings; we have no hereditary nobility. In this country we have nobody to govern except the people. There is not anything more destructive than this notion abroad in this land—on to Washington for everything the people may want! This creation of an attitude of national dependence upon a great Federal bureaucracy is one of the most dangerous things that a free people can do. I am supporting this recovery program, but I am not unmindful of the price we will have to pay for having got ourselves in a condition which makes this program necessary, and I am not unmindful of the high type of citizenship which will be necessary to deal with its aftermath if we are to avoid disaster. [Applause.]

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. WADSWORTH. I am prompted to put an inquiry to the gentleman from Texas because I recognize in him—and I am sure he will take this in good part—the type which has been somewhat submerged recently—the Jeffersonian Democrat. I might like to count myself in if a Jeffersonian Democrat stands for the principles which the gentleman from Texas has just enunciated.

The gentleman from Texas has touched upon an issue which I believe is the most vital and fundamental to be confronted by our people for many a year; and I am wondering what comment or thought may come from the gentleman from Texas when he recalls, in connection with the centralization of power at Washington and the atrophying of the power of self-government which may be inflicted upon the people as its result, that the President of the United States in his annual message to the Congress delivered before this House but a few days ago, openly indicated that this whole new program embarked upon incident to the emergency shall become the permanent policy of the United States.

Mr. SUMNERS of Texas. I shall answer the gentleman very candidly my own opinion about it.

Here is what I think about these times, and what I say about this is not said in a controversial way, if I am able to diagnose this particular period in which we are—it is the recurrence of a very interesting phenomenon to be found not infrequently in the governmental history of Anglo-Saxon peoples; crises come in the history of all peoples. Frequently they result from the failure of the people to do what they could have done safely when they ought to have done it. Anyway they get themselves up against a crisis that exceeds the capacity of ordinary Anglo-Saxon governmental machinery functioning as it ordinarily functions with distributed responsibility and a slow pick-up, because our governmental system has a slow pick-up and it has a distributed governmental responsibility.

Ours is a very old system of government. Through long processes of time certain governmental instincts seem to develop.

Our people seem instinctively to sense the existence of a crisis which exceeds that capacity of their governmental system functioning in the ordinary way. In such a situation instead of permanently changing their system of government they have the genius to concentrate governmental power, give to the agency into which the concentration has gone all the power that a dictator could have, which carries with it as quick a pick-up as a dictatorial government could have, but at the same time they are able to retain the power—I am talking about power now—retain the power over the exercise of the delegated power, and retain the power to recapture and redistribute this concentrated power

when the crisis shall have ended. What will happen in the future only time can tell, but I do not believe we will permanently operate under the present arrangement. As I see it, the present arrangement is the offspring of a great crisis and must disappear with the going of that out of which it grew. Doubtless we will salvage something, possibly much, out of this experience, but it is not a governmental revolution. It is not new in Anglo-Saxon governmental experience. There is a fairly well defined course which is run. Anyway we had better begin to get ready for a parallel swing back toward the other extreme from that toward which we have been moving. [Applause.]

[Here the gavel fell.]

Mr. AYRES of Kansas. Mr. Chairman, I yield the balance of my time—5 minutes—to the gentleman from Louisiana [Mr. WILSON].

Mr. SWICK. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. WILSON].

Mr. WILSON. Mr. Chairman, I would not at this time refer to the pending election contest from Louisiana if it had not been that the gentleman from Mississippi [Mr. COLLINS] took the matter up yesterday.

On the first day of the present session of this Congress, the Committee on Elections No. 3 was instructed by a resolution unanimously approved by this body to determine the prima facie question and the ultimate right and privilege of Mrs. Bolivar E. Kemp and J. Y. Sanders, Jr., to a seat in the House of Representatives.

This resolution was introduced for the sole reason that the issues involved effect the rights and privileges not only of the citizens of the Sixth Congressional District of Louisiana and the State of Louisiana but also of every congressional district and every State in the Union.

This is not based upon the operation of political factions, but because vital and important legal questions are involved.

I deeply regret that conditions have arisen making this action necessary and imperative. I infer from the speech delivered on yesterday by my colleague from Mississippi [Mr. COLLINS] that his conclusion is that the committee in its report has not correctly construed the law, and that the decision unanimously reached is not sustained by the Constitution and laws of the United States or of the State of Louisiana. In that connection, I differ with the gentleman from Mississippi, and I confine my statement to an outline of the law, as I see it.

The issues now before the House relate to an election to fill a vacancy in the office of a Representative in Congress. Now what does the Constitution and laws provide in connection therewith.

Section 2 of article I reads:

When vacancies happen in the representation from any State, the executive authority thereof shall issue writs of election to fill such vacancies.

Section 4 of article I reads:

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time, by law, make or alter such regulations, except as to the places of choosing Senators.

Now it has been unanimously held that where a State has enacted legislation as directed by the Constitution the laws of the State govern and control the election procedure.

The Hoge case has been cited in support of the action of the Governor of Louisiana in calling an election to be held in 7 days to avoid the opportunity given by the laws of Louisiana to select their nominees in a primary election. What are the facts?

The actual decision has the opposite effect and supports the conclusions rendered by Elections Committee No. 3 of the present Congress.

The John Hoge case (Pennsylvania):

It appears to the committee that, though by the second section of the first article of the Constitution of the United States it is made the duty of the executive authority of the respective States to issue writs of election to fill vacancies, yet, by the fourth section of the said article, it is made the duty of the legislature

of each State to prescribe the times, places, and manner of holding such elections. It appears, however, that several elections to supply vacancies in Congress have been held heretofore in Pennsylvania; yet, on examining the laws of that State, it appears that no law exists prescribing the times, places, and manner of holding elections to supply such vacancies as may happen in the representation in Congress.

The State of Louisiana had enacted laws prescribing the time, place, and manner of holding elections to supply vacancies in the representation in the Congress.

The inference is that the only reason why the Committee on Elections at that time and the House of Representatives upheld the executive order of the Governor of Pennsylvania was that there was no law in Pennsylvania fixing the time, manner, and place of holding elections.

Mr. MONTET. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield.

Mr. MONTET. In the Pennsylvania case did it appear that the people of the State have been imploring the Governor to call an election for 3 months before he did it?

Mr. WILSON. I am not sure about that.

Mr. MONTET. It is true in the Louisiana case, is it not?

Mr. WILSON. Yes; that is true; they had appealed for the calling of the election.

Mr. MONTET. Will the gentleman yield?

Mr. WILSON. I yield.

Mr. MONTET. Is it not also true that in the case pending before us now, the Kemp-Sanders case, despite the impropriations made on the Governor by the people of the Sixth Congressional District for months and months, that 3 days before the Governor actually issued the call for the Kemp election he made a public statement on the 24th day of November that he would not call an election?

Mr. WILSON. I do not know whether that is in the record or not, but it would not matter so far as the legality of this question is concerned.

Mr. MONTET. Is that not a fact?

Mr. WILSON. Is that in the hearings?

Mr. MONTET. Yes.

Mr. WILSON. Yes.

Mr. BANKHEAD. Will the gentleman yield?

Mr. WILSON. Yes. I yield to the gentleman from Alabama.

Mr. BANKHEAD. I must confess that under ordinary circumstances I would be inclined to look with extreme disfavor upon a precedent which refused to accept the apparently bona fide credentials of the Governor and secretary of state showing that a person was entitled to a seat in this House; but if I understand the facts in this case, that contention was waived by the agreement of both parties to this contest; is that not true?

Mr. WILSON. That is correct. It was to go to the committee for a report upon the legality of the election and whether or not either party should be seated.

Mr. BANKHEAD. So far as this record is made up, Mrs. Kemp in this case waived, as I understand it, by agreement, her right to insist upon being immediately sworn in as a Member under her credentials.

Mr. WILSON. That is what I understood from my colleague, Mr. FERNANDEZ, who spoke on that subject.

Mr. COX. Will the gentleman yield?

Mr. WILSON. Yes; I yield.

Mr. COX. Will the gentleman support the committee report?

Mr. WILSON. Yes. I have but a short time, and what I want to do is to get into the Record my construction of the law.

Mr. COX. Very well. I will not detain you.

Mr. WILSON. It comes now to the fact that the sole contention, as I understand it in this case, is whether or not the Congress of the United States will uphold the order of the Governor of Louisiana as being legal when he called this election to be held within 7 days, after the 6 months had elapsed, since the vacancy occurred.

THE GENERAL ELECTION LAW OF LOUISIANA

Now, what are the provisions of the law of the State of Louisiana in this case? It says:

That it shall be the duty of the Governor, at least 30 days before every general election, to issue his proclamation giving notice thereof, which shall be published in the official journal.

The board of supervisors of election of each parish shall give 15 days' notice of every general election by advertisement in the official journal of every parish, if there be one, and by posting at four public places in the parish if there be no official journal in said parish. But no default by the Governor or parish board of supervisors of election to issue said proclamation shall deprive the people of their right to hold an election as fixed by law or vitiate said election when held.

SECTION 6. Be it further enacted, etc., in case of vacancy in said office of Representative in Congress between the general election, it shall be the duty of the Governor by proclamation to cause an election to be held according to law to fill such vacancy. Elections shall be held in the precincts and at the polling places hereinafter defined and hereinbelow directed to be established.

It shall be held according to the laws of the State of Louisiana. That is the direct declaration to us.

Mr. COX. Will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Georgia.

Mr. COX. In what respect did the election in which Mrs. Kemp was supposed to have been elected fail to follow the State law?

Mr. WILSON. That is what I am getting to now. In the State of Louisiana, as probably in every other southern State, the primary election is the election. That is the controlling factor. Of course, there is no opposition after the primary election is over.

LOUISIANA PRIMARY ELECTION LAW

Be it enacted by the Legislature of Louisiana, That all political parties shall make all nominations for candidates for the United States Senate, Members of the House of Representatives in the Congress of the United States, all State, district, parochial, and ward officers, members of the Senate and House of Representatives of the State of Louisiana, and all city and ward officers in all cities containing more than 5,000 population, by direct primary elections.

That is the mandatory provision of the Louisiana law.

That any nomination of any person for any of the aforesaid mentioned offices by any other method shall be illegal, and the secretary of state is prohibited from placing on the official ballot the name of any person as a candidate for any political party not nominated in accordance with the provisions of this act.

Mr. COX. Will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Georgia.

Mr. COX. How did the action of the committee, giving Mrs. Kemp the nomination, affect the right of any other elector of the district to offer for the office in the general election?

Mr. WILSON. The gentleman from Georgia knows that the nomination at a Democratic primary under the emblem of the Democratic Party, which is the rooster in Louisiana, is equal to election, and to tell someone outside after this ticket is prepared that anybody may go in and write his name on it is useless.

Mr. COX. I am not antagonistic to the position the gentleman has taken, but as Mrs. Kemp had no such nomination, how did the fact that two committeemen came together and offered her the nomination deprive any other citizen of the district of the right to participate in that election?

Mr. WILSON. Because this nomination prohibited any other name going on the ticket as the candidate of the Democratic Party.

Mr. COX. But that is a part of the machinery down there. How could the action of that committee be construed as a nomination that would operate against anyone else participating in the election?

Mr. WILSON. Because the tickets were printed with that name only.

Mr. BLANCHARD. Will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Wisconsin.

Mr. BLANCHARD. The only way any candidate could have his name placed on the ballot is by writing it in? The only way he could receive a vote is by having his name written in?

Mr. WILSON. Oh, yes; by having the name written in. Quoting further the primary election law:

SEC. 9. That whenever a special election is held to fill a vacancy for an unexpired term caused by death, resignation, or otherwise of any officer, the respective committees having authority to call

primary elections to nominate candidates for said office shall have full authority to fix the date at which a primary election shall be held to nominate candidates in said special election, which date shall not be less than 10 days after the special election shall have been ordered.

Mr. KNUTSON. Will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Who called the primary that nominated Mr. Sanders?

Mr. WILSON. That was a mass meeting of citizens of the Sixth District.

Mr. KNUTSON. It was not a legally constituted organization?

Mr. WILSON. It was a mass meeting called for the purpose of holding an election. The claim for legality of the action of the committee presenting the nominee is based upon the exceptions made in the primary law after a primary election has been called.

[Here the gavel fell.]

Mr. SWICK. Mr. Chairman, I yield the gentleman from Louisiana 3 additional minutes.

Mr. WILSON. The only conditions under which a name may be certified as a party nominee on a Democratic ticket in Louisiana is set out under section 6 of the Primary Election Laws of Louisiana:

That all vacancies caused by death or resignation or otherwise among the nominees selected by any political party, under the provisions of this act, shall be filled by the committee, which has jurisdiction over the calling and ordering of the said primary election, and in the event that no person shall have applied to become a candidate for a political office within the time fixed by law, or the call of the committee ordering the primary, or in any other event wherein the party shall have no nominee selected under the provisions of this act, the committee calling the primary shall select the nominee for any position named in the call of the committee and shall have full authority to certify said name as the nominee of the said party.

There is no way under the law or under this provision of law whereby anyone's name can be placed upon that ticket as the nominee of the Democratic Party except after a primary has been called and a vacancy occurs by death or resignation or there may be some office for which no one has offered as a candidate.

So, Mr. Chairman, I have simply taken this time to clear up the matter so far as I can and give my construction of the law on account of what was said about the case on yesterday.

The Governor of Louisiana had waited more than 6 months after the vacancy occurred. He had had plenty of time to have given all opportunity to anybody who wanted to be a candidate, but he calls the election to be held within 7 days, with no time for a primary and the committee makes the certification without having ordered a primary, when the direct provision of the law is that no such certification can be made except by the committee calling a primary and after the primary election had been called. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN of Missouri. Mr. Chairman, I ask unanimous consent to extend my remarks made earlier in the day, and if I can secure them in time to include some statistics from the C.W.A.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. GIFFORD. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SWICK. Mr. Chairman, I yield 3 minutes to the gentlewoman from Kansas [Mrs. McCARTHY].

Mrs. McCARTHY. Mr. Chairman, the Department of Agriculture recently issued a report giving the results of the wheat allotment plan.

The results were somewhat discouraging, and because of this fact I have introduced two bills, which, to my mind, would help to correct the situation. One of my bills is a bill to license the producer and the other one provides a tax on expansion of acreage.

The first bill would give the Secretary of Agriculture the power to license producers who do not reduce their acreage. The theory behind this measure is that such licensing power would be used only when necessary to hold down threatened expansions. In the event the Secretary of Agriculture would decide that reduction of acreage was not necessary, he would not be compelled to exercise this licensing authority. Use of the tax plan on additional acreage is also optional.

I will now give you some information about this report issued by the Department.

The 11 principal wheat States went along with the Department's program and greatly reduced their acreage.

For example, in the State of Kansas 97 percent of the wheat farmers reduced their acreage the agreed 15 percent. In these 11 wheat States 33,000,000 acres is the amount of winter wheat planted last fall as compared with thirty-six and a half million acres, which is the annual average during the base period, 1929 to 1931. This reduction, 77 percent of the gross reduction expected, shows that the winter-wheat States are responding well to the adjustment plan. On the other hand, taking the Nation as a whole, 41,000,000 acres of wheat were seeded this fall as compared with the 42,500,000 for the fall of 1932, giving a reduction from last year's planting of only 4 percent for the entire Nation. As compared with the base period, fall plantings are 7.2 percent less.

These figures mean a great deal to a Member from the greatest wheat State in the Nation. Closer study shows that while wheat-State farmers have practically all pledged to control acreage, farmers in the eastern Corn Belt, on the northern edge of the Cotton Belt, and in the Northeast have increased their wheat acreage, their reason, of course, being that they hope to realize the higher prices resulting from the reductions of the regular wheat farmers.

One bill I have introduced places a per-acre tax on plantings in excess of that during the base period, the tax being paid into the wheat allotment fund.

The other measure I propose is simply to give the Secretary of Agriculture the power to place under license all farmers not cooperating in a production-control plan if they display evidence of extending their wheat acreage or other surplus crop above the amount ordinarily raised by them in their regular rotation of crops. Neither plan would work a hardship on anyone, but would give assurance to those farmers who have contracted to reduce their operations in a given product that they would not be penalized for joining in a great program to control production and raise the level of farm prices. This measure is similar to the one giving licensing powers to the N.R.A. Administrator, and such power should also be valid for the A.A.A.

The benefits of the allotment plan have been made clearly apparent to the wheat industry. Farmers have received 65 to 75 cents per bushel for their grain instead of 24 to 30 cents. Wheat producers are now receiving the first installment of the \$102,000,000 adjustment payment. Their incomes have been doubled, and for the first time in 10 years they feel they are attaining permanent stability through the adjustment program. For the good of this industry it is important that the plan not be jeopardized by actions of a minority not dependent on wheat, and in return the wheat farmer is, no doubt, willing to restrain from expanding his production of hogs, or other products, as the case may be.

[Here the gavel fell.]

Mr. SWICK. Mr. Chairman, I yield the balance of my time to the gentleman from Wisconsin [Mr. BLANCHARD].

Mr. BLANCHARD. Mr. Chairman, there are just a few observations I want to make on the Kemp case, inasmuch as it was discussed yesterday and again today.

It is an important question, and I am pleased that the gentleman from Alabama [Mr. BANKHEAD] asked a question with reference to the prima facie right of a person to be administered the oath of office when credentials are presented from a sovereign State in the proper manner.

I am glad this matter has been cleared up, because I believe the RECORD should be kept absolutely straight and that it be made clear that any individual who comes with

proper credentials should not be denied the right to take the oath of office.

There have been, of course, two notable exceptions to the general procedure, and I question at least one of them; the decision of the House in the Berger case, where the oath was denied. In the other case, the Utah case, I am not familiar enough with it to speak with any degree of knowledge.

Now, I want to present three propositions for consideration. The first is the prima facie right of a person to take the oath of office unless there are objections, constitutional or legal, against it. Secondly, the propriety of Congress going back of an election and determining whether or not the nomination is properly made, and thirdly, the election itself.

In connection with the propriety of Congress investigating the nomination, I want to call your attention to the case of Wise against Young in the Fifty-fifth Congress:

The contestee introduced much in his answer and something in his testimony concerning the manner of the contestant's nomination. Now, in the case of Lowry against White it was well said:

"In contested cases it is improper to consider allegations in the testimony intended to show simply by what means the person became a candidate." And so we dispose of that question. (Hinds Precedents, vol. 2, sec. 1103.)

In the same connection I desire to call your attention to the Federal Corrupt Practices Act of 1925, which specifically excludes from its operation primaries and conventions of political parties, recognizing to that extent a lack of jurisdiction by Congress to legislate concerning such instrumentalities for the selection of candidates.

If we are to pass on the legality of the situation in Louisiana, in the Sixth Congressional District, the failure on the part of the Governor of the State to call an election in ample time so that the primary or the run-off primary might be held, then I think the conclusion is quite clear that there is no legal election in this case.

As has been so well stated, the law is specific that no candidate unless nominated in accordance with the laws of the State of Louisiana can have his name placed on the ballot.

Again, I repeat that if we are to go back of the election there is only one conclusion we can arrive at and that is that the election was not proper and not legal.

Mr. COX. Will the gentleman yield?

Mr. BLANCHARD. I yield.

Mr. COX. It is not a fact that the precedents of the House and the Senate are that either body has the right to pass upon the right of a candidate to sit in that House, and to go back of the election?

Mr. BLANCHARD. The Senate has its rules and it is a fact they do go back of the election.

Mr. COX. And the precedents of the House are all in support of that proposition.

Mr. BLANCHARD. On the question of the election itself I cite this provision of the Louisiana law:

That in case of vacancy in said office of Representatives in Congress between the general elections, it shall be the duty of the Governor, by proclamation, to cause an election to be held according to law to fill such vacancy.

That pertains not to the primary election but to the election to fill the vacancy.

The language is significant "To cause an election to be held according to law." What law? Not a law promulgated by the Governor of Louisiana, but a law promulgated by the legislature, a law in existence in the State where this arises.

And by any process of reasoning we must in this case, if we are to examine the primary election laws in Louisiana, conclude that the people were foreclosed from having any right to hold a primary election, and on the question of the election itself there was no legal election on the basis of this law.

Mr. TERRELL of Texas. Mr. Chairman, will the gentleman yield?

Mr. BLANCHARD. Yes.

Mr. TERRELL of Texas. I want to ask the gentleman two questions that are easily answered. Do the election laws of Louisiana require that in a special election the candidate must be nominated before his name is put on the ticket?

Mr. BLANCHARD. I answer that as I answered the gentleman from Georgia [Mr. Cox], that the law specifically says that any candidate nominated in any other way than by the laws of the State of Louisiana—and they refer to the primary election laws—is not entitled to have his name on the ballot.

Mr. TERRELL of Texas. I do not think the gentleman has answered my question clearly.

Mr. BLANCHARD. I think I did.

Mr. TERRELL of Texas. I want to know if the laws require that a person to be elected in a special election has to be nominated in the primary?

Mr. BLANCHARD. My contention is that he must assuredly be selected in the primary.

Mr. TERRELL of Texas. The other question is, Does the law require the Governor to call an election far enough in advance to have the primary election held?

Mr. BLANCHARD. It presupposes—

Mr. TERRELL of Texas. "Presupposes" is not the law.

Mr. BLANCHARD. The gentleman has a right to his interpretation. There are interpretations—and they will be found in the brief and argument submitted to this committee—which contend that this election could be held without the necessity of a primary election, but they base their conclusions on what they regard to be the law of the State of Louisiana. That is not my conclusion, however. Yesterday in the argument on this same point, the question was raised as to whether or not under the Governor's proclamation the primaries could be held in time to permit an election prior to the convening of Congress on January 3. That is not controlling. We had a case in the State of Wisconsin in the Fifth District, now represented by my able colleague, Mr. O'MALLEY, where there was no representation for a period of 2 years.

It is always unfortunate when a district is without representation, but the Governor of Louisiana had ample time to provide a date for the election so that primaries could be held, and his failure to issue the call in proper time is surely no reason why we should overlook the laws governing the case. This House cannot be held responsible for the laws passed by a State, but we are responsible when it comes to an interpretation of those laws.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. All time has expired. The Clerk will read the bill for amendment under the 5-minute rule.

The Clerk read as follows:

Naval training stations: For maintenance, operation, and other necessary expenses, including repairs, improvements, and care of grounds of the naval training stations which follow:

San Diego, Calif., \$155,150.
Newport, R.I., \$46,813.
Great Lakes, Ill., \$227,503.
Norfolk, Va., \$215,950.

Mr. CONDON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. CONDON: Page 7, line 22, after the words "Rhode Island", strike out "\$46,813" and insert "\$191,211."

Mr. CONDON. Mr. Chairman, it is apparent from this naval appropriation bill and the remarks of the distinguished chairman of the subcommittee on yesterday that the Navy is about to be greatly enlarged and brought up to the strength authorized by the London Naval Treaty. This is what many of us, who believe in an adequate Navy, have long sought for but scarcely hoped to see. The consummation of this patriotic purpose will be not the least of the crowning glories of this administration of which it now seems there are to be many. It further appears quite clearly from the speech that followed later in the day by the able Chairman of the great Committee on Naval Affairs that steps will be taken without delay to authorize the immediate

building of much needed ships in all categories. This announcement brought a favorable response from the House and there is no doubt but that its publication in the press has by this time brought a like favorable response from the country.

The American people want a great Navy, and they will no longer tolerate, much less support, the pursuit of a mistaken policy, based upon a misunderstanding of the policies of other nations, which has prevented too long the building of the Navy to treaty strength.

Naturally I am for that kind of a Navy, and I was happy to hear what was said here yesterday in the direction of our getting it in the not distant future. But when I looked further into this bill I was much surprised to find little, if any, consideration given to the present and future needs of the most essential part of such a Navy, namely, the enlisting and training of an adequate enlisted personnel.

Ships without men are as useless and silly as guns without ammunition. And yet this bill gives scant consideration to this vital need. In this matter the subcommittee is still thinking in terms of the false economy of last year which stripped all but one of our naval training stations of apprentices in training and practically stopped all recruiting throughout the country. I am informed that this policy has now been scrapped and that it is the intention of the Department to resume training activities in preparation for the increased demand for men that must come with the completion of these new ships. If that is true, the training stations must be reopened and put on an active operating basis, and it must be true if we are not going to have another long list of empty expensive ships of war rotting at their docks waiting for the junk pile.

In this regard let me say a word about the naval training station at Newport, R.I., which I am sorry to say has been grossly overlooked by this committee. This station is now on a bare maintenance basis. No recruits are being trained there. This was in accord with the economy program of last spring. Unless the committee reconsiders its action and appropriates at least the amount contained in the last appropriation bill no recruits will be trained there this year. In other words, Newport will continue on a so-called "economy basis." Why? If there is a reasonable answer, I have not heard it.

The other three stations, San Diego, Great Lakes, and Hampton Roads, by this bill receive approximately the same appropriation as in the last supply bill. It is difficult, and I undertake to say here impossible, to justify this discrimination on any basis of economy or sound naval policy. I do not know the adequacy of these other stations for training purposes. I assume that they are needed, and I make no criticism of their treatment by the committee. But I do know the character and high quality of the facilities at Newport. I do know the favorable and unique situation which this station enjoys for training our naval apprentices. I do know the high competency and the splendid history of this station in producing the fighting men of our Navy since 1883.

It was in that year that the station was established by Secretary of the Navy William E. Chandler on land ceded to the United States by the State of Rhode Island without compensation. Its location there has ever since been considered by those competent to judge, a wise decision. There are many reasons for this but I shall mention but a few of them. Its location on Narragansett Bay is in proximity to shipping of every description and thus the new recruit is introduced to a point of view of nautical life unsurpassed elsewhere. Narragansett Bay has long been a favorable concentration point for the fleet in the North Atlantic and ships are constantly calling there, thus facilitating easy delivery and reception of personnel. New York is within easy steaming distance, as are related stations at Portsmouth, Boston, and New London. The station itself has a high record for healthfulness and is an ideal place from this standpoint for the training of young men.

All of these natural advantages are important, but equally important is the fact that over the years since 1883 the

Government has invested millions of dollars here in developing and bringing up to a high state of efficiency the physical plant of an up-to-date, modern naval-training station. It was testified in the hearings before the committee by Admiral Leahy (p. 142) that the investment was \$4,729,076.

The barracks at this station are all of brick construction, fundamentally staunch, and good for years of use in the future. While this station remains closed these fine modern buildings are empty and idle, a source of expense to the Government without yielding the slightest return, and inevitably deteriorating and depreciating notwithstanding all efforts at maintenance. What excuse is there, what can there be, for neglecting to utilize such facilities in the face of the intention of the Department to train, at Hampton Roads, 4,812 recruits this coming fiscal year, partly in old war-time frame buildings, which are difficult to maintain and expensive to heat, as testified to at the hearings by Captain McCain on page 145?

If there is such an excuse, I hope the committee will let the House know of it. It neither appears in the hearings nor in the report of the committee.

How can the failure to provide for the resumption of training at Newport be justified on any plea of economy or otherwise when the Great Lakes station has had its full appropriation of 1934 restored, and this in spite of a contrary Budget estimate and without any request therefor by the Department? The argument made by the committee in its report to support its action can be made with even greater force and cogency for Newport. I suggest that the committee reconsider its action in this matter and restore the 1934 appropriation of \$191,211 for Newport. Let it leave to the further reflection of the Department the matter of reopening this station, as it has done in the case of the Great Lakes, according to its own report, on page 8, as follows, referring to Great Lakes:

The committee has added to the Budget a total of \$376,697, in order that the Department may be free to reopen the station if upon further reflection it should decide to pursue that course.

I am asking for fair play in this matter and no favors. I am completely willing to leave the question of the usefulness and efficiency of the Newport station to the sound judgment of the Department, because I am convinced of the unsurpassed qualifications of that station to perform this essential service to the Navy. This very matter has been inquired into before by naval experts, and, after full and exhaustive investigation, they reported their findings, which are a matter of public record. In January 1923 the so-called "Rodman Board" reported as follows:

The board recommends that training activities on the Atlantic coast be centered at the naval training station at Newport, R.I.

That report, signed by 4 admirals and 3 captains of the Navy, was approved by the Secretary of the Navy on June 26, 1923, and to my knowledge has never been superseded by any subsequent report based upon an investigation of comparable scope and character as the Rodman inquiry.

Improvements at other training stations, it is true, have been made since the above date, making them more competent to perform efficient training service, but in no particular has Newport suffered the loss of any of the natural and material advantages that appealed so strongly to the expert minds of this board at that time.

In the face of this evidence it seems to me that the committee ought to fairly reconsider this matter and restore the appropriation of 1934, and I hope that the chairman will accept the amendment.

The same consideration ought to have been given to Newport as has been given to the Great Lakes, and again I repeat I have no criticism whatever to make of the appropriation that has been made for the Great Lakes. I am asking for fair play in this matter and no favors. I appreciate the fact that this country ought not to spend a single unnecessary dollar for any part of maintaining its great Naval Establishment unless that dollar can bring back to the country something of value. I am not asking anything for Newport merely because it happens to be in my district. I believe that Newport is incomparably the best

station on the Atlantic coast to train these men. I am completely willing to leave that question in the discretion of the Department and let them say whether or not this station should or should not be open during the year 1935. Admiral Rodman and his associates declared this training station was the only training station on the Atlantic coast at which ought to be centered the training of apprentices of our Navy.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. CONDON. Yes.

Mr. HEALEY. Can the gentleman tell us what part of the country most of the apprentices are recruited from that have been trained at Newport?

Mr. CONDON. The Newport Training Station, I am informed, serves New England, New York, and New Jersey. Boys coming from that particular section of the country were always trained at Newport.

Mr. HEALEY. So that quite an item of expense would be involved in sending those recruits elsewhere?

Mr. CONDON. I am reliably informed that it is more expensive to send recruits from that section of the country, particularly New England and New York, to Hampton Roads or to any of the other stations than it is to send them to Newport. That makes a very substantial increase in expense for the station at Hampton Roads and the one at Great Lakes.

Mr. HEALEY. Is it not a fact that the amount of the increased appropriation you have asked for in your amendment, \$144,000, will not be saved by not using the facilities at Newport, but that the depreciation of those facilities, plus the expense of sending those recruits elsewhere will more than amount to the sum you have asked?

Mr. CONDON. It is quite likely that will happen.

The CHAIRMAN. The time of the gentleman from Rhode Island [Mr. CONDON] has again expired.

Mr. MARTIN of Massachusetts. Mr. Chairman, I ask unanimous consent that the gentleman may be allowed to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. CONDON. I yield.

Mr. MARTIN of Massachusetts. I should like to join in urging the adoption of the amendment which has been offered by the gentleman from Rhode Island [Mr. CONDON]. I live in a State in very close proximity to the Naval Station at Newport, R.I. It is easily accessible to thousands of recruits from New England who join the Navy. It is ideally equipped, and it is in the interest of economy that this station be continued. I sincerely trust the amendment offered by the gentleman from Rhode Island will be agreed to.

Mr. AYRES of Kansas. Will the gentleman yield?

Mr. CONDON. I yield.

Mr. AYRES of Kansas. The gentleman spoke a moment ago about the extra expense of sending recruits from New England and New Jersey and New York to Norfolk. Is the gentleman aware of the fact that after recruits have been trained at Newport it is necessary to send the major portion of them to Norfolk anyway, either to join with ships based there or for transfer to the Pacific via naval transport?

Mr. CONDON. I do not understand it is necessary to send those men to Norfolk to get additional training aboard ship. I have talked with officers at Newport and it is my understanding that ships come into Newport regularly, and have taken on apprentices from the naval station for their fleet training. I talked this matter over with the Assistant Secretary of the Navy, Mr. Roosevelt, last spring, and he was not then in a position to tell us there was going to be any saving by concentrating the training at Hampton Roads on the Atlantic coast. He was not able to controvert our argument that there was a distinct saving in having these men from the northeastern section of the country trained at Newport.

Mr. MILLARD. Will the gentleman yield?

Mr. CONDON. I yield.

Mr. MILLARD. About how many men are trained there?

Mr. CONDON. The training station has been closed for the past few months.

Mr. MILLARD. But I mean when it is in full operation.

Mr. CONDON. They have trained as high as 2,600 men at Newport, as I understand it.

Mr. MILLARD. All from the section of the country to which the gentleman referred a moment ago?

Mr. CONDON. All from the Northeastern States; yes, sir.

Mr. AYRES of Kansas. Mr. Chairman, as much as I think of the gentleman from Rhode Island [Mr. CONDON] and as much as I think of the good citizens of Newport, at the same time I must oppose the amendment offered by the gentleman from Rhode Island for the reason that it is absolutely unnecessary to open the Newport Training Station. In the first place, under this bill we will have a training station operating on the Pacific coast at San Diego. We will have a training station at Chicago, which is in the center of the United States, as near as it can be placed, assuming that the department will reopen it, and we will have one on the Atlantic coast at Norfolk. That is all that are necessary. Those three training stations can accommodate and train over 19,000 recruits a year—19,088, to be exact. There will not be more than 10,000 recruits trained next year, so what is the use of going to the expense of opening another training station on the Atlantic coast? In other words, it is time for us to begin to think of confining appropriations to the necessities or essentials in order to have enough to provide for the Navy in an efficient way and not be making appropriations where it is not necessary simply to satisfy a local demand.

Now, on that score the gentleman ought not to have any complaint. Newport is very well taken care of. For instance, Newport has a naval hospital where we spent in 1933 \$187,151. Newport has a Navy purchasing office where we spent in that year \$36,977.55; it has a Navy torpedo station where the 1933 expenditures totaled \$3,190,410. It has a naval station, not a training station but a naval station, for which the 1933 expenditures totaled \$262,252, and a naval war college, all at Newport, for which the expenditures during 1933 amounted to \$739,656, or, all told, \$4,416,448. Newport has no ground for complaint—or at least no just ground—that it is not being fairly treated. It is an absolutely useless expenditure to open up the Newport Training Station, because, as I said, with the training station on the Pacific coast, the one in the interior at Great Lakes, and the one on the Atlantic coast at Norfolk, we will have more than enough accommodations for the training of recruits. I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. CONDON].

The question was taken; and on a division (demanded by Mr. CONDON) there were ayes 19 and noes 42.

So the amendment was rejected.

Mr. SABATH. Mr. Chairman, I move to strike out the figures in line 24.

Mr. Chairman, the gentleman from Rhode Island [Mr. CONDON] made a splendid effort, worthy of his reputation, in behalf of his training station, and I want to compliment him upon the comprehensive way in which he presented the facts. I wish I could have supported his amendment; but being at all times for strict and rigid economy, I could not conscientiously do so.

I feel that the committee, under the leadership of the able gentleman from Kansas [Mr. AYRES], has been eminently fair in making appropriations and recommendations, and I myself have cause to be and am thankful to him and to his subcommittee for the splendid way they have treated the great Middle West.

Before leaving Washington some weeks ago I called attention to the fact that the Middle West was again being discriminated against when the Navy Department eliminated the appropriation for the Great Lakes Training Station. Therefore I am indeed thankful and greatly appreciate, and I know the people of the Middle West will greatly appreciate, the fact that there has been provided the sum of \$227,503

for the purpose of reopening the Great Lakes Training Station.

I am sure no one will charge me with being desirous of supporting large appropriations for the Army and the Navy; nevertheless, I believe that we are legislating in the right direction when we provide for the reopening of the Great Lakes Training Station. During the war and up to a year ago I think more young men were trained at that station than at any of the other stations.

Invariably the Great Lakes region gets but little in comparison with the South and the East; so this little appropriation will be thankfully received.

I shall not dwell longer upon the need for this appropriation. I am not fearful of any of these statements I hear and articles I read from time to time about the approaching dangers of war. Such things appear invariably just preceding the time we have a military or a naval bill before us. There are a certain number of gentlemen in Japan who like to hear themselves talk. Why, to me it is amusing that these gentlemen even could contemplate for one moment provoking war with this great powerful Nation of ours. So it is not through the prompting of such statements that I support this item, but it is for the purpose of enabling the young men of the Middle West to be trained in their own section of the country and to save them and their parents all unnecessary expenditures of going way down East or way out on the coast. I feel the reopening of this station will be of great help and economical benefit in general.

During general debate today I was amused when I heard these gentlemen from the East, especially the gentleman from Massachusetts, demanding with vigor and determination that there be an investigation.

[Here the gavel fell.]

Mr. SABATH. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Well do I remember his attitude and the attitude of the other Members on his side of the House when in 1930, and long before that, I demanded upon this floor honest investigation of certain nefarious practices and conduct. Invariably when the opportunity was given me to secure a vote of the House, I did not see him backing my arguments or hear his voice voting with me for any of those much-needed investigations.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question at that point?

Mr. SABATH. Yes; I am glad to yield to the gentleman from New York.

Mr. TABER. Will the gentleman tell us some of the investigations he brought up on the floor? I think the House will be interested to hear of them.

Mr. SABATH. Yes; I shall be pleased to explain some of them to the gentleman. I asked for and urged and insisted upon an investigation of the stock exchange in 1929. Day after day on the floor of the House I pleaded that we investigate that den of incorrigible gamblers, as well as the damnable investment bankers who brought wreck, ruin, and sorrow to America.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Not now. I shall be glad to yield in a minute.

I also demanded in 1930 an investigation of the Federal Reserve Board. That was the time when most of us thought the Federal Reserve Board should be a little more liberal in accepting for rediscount the \$2,000,000,000 of finance corporations' paper, short-term municipal bonds, and mortgages on homes, which would have saved the Nation from the resultant destruction and the closing of hundreds of small banks; but under the leadership of the party to which the gentleman belongs, which is, happily for America, a decadent party, I could not secure any favorable consideration notwithstanding my continuous appeals.

I also requested and urged an investigation of the Treasury Department, as the gentleman knows, when we desired to find out who were the beneficiaries of the \$3,000,000 of tax refunds under Mellon's and Mills' Republican administration; but we could not secure any favorable action or cooperation from the gentlemen on the other side of the aisle.

The gentleman also remembers, perhaps, that in 1932 I asked for the investigation of the Post Office Department in the matter of unconscionable air mail contracts, exorbitant leases, and the purchase of undesirable sites. True, we did pass that resolution and secured a few votes for it on the Republican side. Of course I was grateful for that. But since that time it has been demonstrated that the investigation should have been conducted more thoroughly by the House Committee, with enlarged powers and more facilities, so that it would not have been necessary for the Senate committees to investigate, as they are doing, not only the air mail contracts, but also the stock exchange. I do not mean to infer that the House Post Office Committee was derelict. It did very well indeed with the facilities at hand.

I think it would have been better had the House listened to me and voted a reasonable appropriation for such investigations.

I also demanded and insisted upon an investigation of the Reconstruction Finance Corporation when the unwarranted loan of \$95,000,000 was made to Mr. Dawes' bank. I am reliably informed that we are going to lose between \$50,000,000 and \$55,000,000 on that single loan; but to date I have not seen or heard any of the Members on the Republican side asking or advocating any such investigation.

As the gentleman knows I also made a strenuous effort to secure an investigation of the moving-picture industry. That was during the last session of Congress. The gentleman knows how the Republicans were whipped into line by Mr. Hays, Mr. Hilles, Mr. Mayer, Judge Henning, and a few other leading Republicans; and I was voted down.

Last but not least, I recall that very few gentlemen on the Republican side helped by voting for the resolution to investigate the gigantic bankruptcy-receivership ring throughout the United States, which investigation is now going on with the approval of the general public, including the American Bar Association. It is hoped that I have briefly given the gentleman [Mr. TABER] some of the investigations I have sponsored and some of which were ordered by the House without the assistance or approval of any leading Republicans. I hope I will in the near future have opportunity to dwell at length upon what has been accomplished by these investigations, which were all for the general public good and not for selfish political purposes, as the proposed investigation of the C.W.A., the administration of which agency is in the State of Illinois and elsewhere in the Middle West, unfortunately, in the hands of Republicans.

Mr. CHAIRMAN, I ask unanimous consent to proceed for 1 more minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. SWICK. Mr. Chairman, I object.

By unanimous consent, the pro forma amendment was withdrawn.

Mr. DELANEY. Mr. Chairman, I move to strike out the last two words for the purpose of making a statement to the committee.

My reason for making the statement at this time is because I am compelled to leave. For this reason I wish to call to the attention of the committee an amendment I should like to offer to the bill. The section of the bill dealing with Naval Reserves reads as follows:

NAVAL RESERVE

For expenses of organizing, administering, and recruiting the Naval Reserve and Naval Militia; pay and allowances of officers and enlisted men of the Naval Reserve when employed on authorized training duty; mileage for officers while traveling under orders to and from training duty; transportation of enlisted men to and from training duty, and subsistence and transfers en route, or cash in lieu thereof; subsistence of enlisted men during the actual

period of training duty; subsistence of officers and enlisted men of the Fleet Naval Reserve while performing authorized training or other duty without pay; pay, mileage, and allowances of officers of the Naval Reserve and pay, allowances, and subsistence of enlisted men of the Naval Reserve when ordered to active duty in connection with the instruction, training, and drilling of the Naval Reserve; pay officers and enlisted men of the Fleet Naval Reserve for the performance of not to exceed 48 drills per annum or other equivalent instruction or duty, or appropriate duties, and administrative duties, exclusive, however, of pay, allowances, or other expenses on account of members of any class of the Naval Reserve incident to their being given flight training unless, as a condition precedent, they shall have been found by such agency as the Secretary of the Navy may designate physically and psychologically qualified to serve as pilots of naval aircraft, \$2,745,509, of which amount not more than \$150,000 shall be available for maintenance and rental of armories, including pay of necessary janitors, and for wharfage; not more than \$81,000 shall be available for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department; not less than \$614,196 shall be available, in addition to other appropriations, for aviation material, equipment, fuel, and rental of hangars, not more than \$397,914 shall be available, in addition to other appropriations, for fuel and the transportation thereof, and for all other expenses in connection with the maintenance, operation, repair, and upkeep of vessels assigned for training the Naval Reserve, and of such total sum \$978,491 shall be available exclusively for and on account of Naval and Marine Corps Reserve aviation: *Provided*, That no appropriation contained in this act shall be available to pay more than one officer of the Naval Reserve and one officer of the Marine Corps Reserve above the grade of lieutenant or captain, respectively, the pay and allowances of their grade for the performance of active duty other than the performance of drills or other equivalent instruction or duty, or appropriate duties, and/or the performance of 15 days' active training duty, and other officers above such grades employed on such class of active duty shall not be entitled to or be paid a greater rate of pay and allowances than authorized by law for a lieutenant of the Navy or a captain of the Marine Corps entitled to not exceeding 10 years' longevity pay: *Provided further*, That no appropriation made in this act shall be available for pay, allowances, or traveling or other expenses of any officer or enlisted man of the Naval or Marine Corps Reserve who may be drawing a pension, disability allowance, disability compensation, or retired pay from the Government of the United States; and "retired pay" as here used shall not include the pay of transferred members of such reserve forces.

I should like to offer an amendment on page 13, raising the appropriation from \$2,745,509 to \$2,776,761 for this reason:

The Naval Reserve appropriation contains a proviso to the effect that only one Naval Reserve officer above the rank of lieutenant and one Marine Corps Reserve officer above the rank of captain employed on active duty may receive the pay of their grades, as contemplated by basic law governing the Naval Reserve, and that all other officers employed on active duty in connection with necessary Reserve activities, shall receive only the pay of a lieutenant of the Navy of 10 years' service.

This proviso would appear to constitute legislation contrary or in addition to existing law. It was first contained in the Naval Reserve appropriation for the fiscal year 1933; it was repeated for the fiscal year 1934; and it appears to be the intention of the committee to continue this proviso indefinitely, since it is again repeated for the fiscal year 1935.

Mr. COCHRAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DELANEY. I yield.

Mr. COCHRAN of Missouri. The gentleman will remember that we fought this thing out once before and learned that it was not subject to a point of order. Therefore it will be necessary to accomplish the objective by amendment. The committee does not feel at this time that they should make any change whatsoever. So these Reserve officers who are drawing lieutenants' pay or captains' pay are deprived of the rights they otherwise would enjoy in regard to pay.

Mr. DELANEY. That is true.

Mr. COCHRAN of Missouri. There is absolutely nothing that can be done as far as changing the law except by amendment, as it was carried in the previous appropriation bills, and is not subject to a point of order. The committee declines to accept an amendment.

Mr. DELANEY. I made that statement at the beginning of these remarks.

Of the 31 Naval Reserve officers on necessary active duty in connection with Naval Reserve activities throughout the country, 17 are affected by this proviso, of whom 4 are of the rank of captain, 2 are of the rank of commander, and the balance are of the rank of lieutenant commander. The duties performed by all of these officers are most necessary, and are in accordance with rank. If an officer of the Regular Navy should be assigned to the same duties it would be necessary that one of approximately the same rank be designated. However, due to the greater familiarity of the Reserve officers themselves, with the various features of their work, Regular Navy officers could not perform the work with equal efficiency.

The injustice of compelling a captain of the Naval Reserve to accept the pay of a lieutenant, and on top of that the reduction of 10 to 15 percent applied to all Government employees, is too patent to need discussion, and too iniquitous to be retained in this bill.

The entire Naval Reserve resents this stigma which has been placed upon them, in that theirs is the only branch of all the Federal service whose officers are not considered worthy to receive the pay of their rank.

In the event of the elimination of the proviso, an additional \$31,252 would be required in the total amount of the appropriation.

The changes are as I have indicated above. That is all I desire to say, except to voice my protest against this legislation at this time.

The Clerk read as follows:

Instruction: For post-graduate instruction of officers in other than civil government and literature, and for special instruction, education, and individual training of officers and enlisted men at home and abroad, including maintenance of students abroad, except aviation training and submarine training otherwise appropriated for, and for the care and operation of schools at naval stations, Guantanamo Bay and Tutuila, for the children of Naval and Marine Corps commissioned, enlisted, and civilian personnel, \$159,772;

Mr. GOSS. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GOSS. Line 16, after the word "for", down to and including the word "personnel" in line 20. I understand this provides for the current operation of schools at naval stations in Cuba, Guantanamo Bay, Tutuila, and Samoa. It seems to me this is putting the old nose of the camel under the tent. It is new legislation that has not been covered before in bills, and it seems to me that we should not create the precedent in this bill of establishing new schools for enlisted men, officers, or others without having the Military Affairs Committee go into the subject. It seems to me that is an injustice to other parts of the world where we have naval stations. It would perhaps be an injustice to naval stations in our own land. I want to ask the chairman if this is not brandnew language, simply putting the camel's nose under the tent, in this appropriation bill rather than having hearings before the committee and determining a policy in reference to this matter?

Mr. AYRES of Kansas. We had hearings before the committee. There is no question but what the language to which the gentleman refers is subject to a point of order. It is relatively a very small matter. It will only cost \$1,600.

Mr. GOSS. I understand it only costs \$1,600 this time, but next year we will have another bill come in without proper hearings, and that will make this a uniform practice in connection with all of our naval stations, Mr. Chairman, and therefore I am going to make the point of order so it will be handled in the proper way.

The CHAIRMAN. The gentleman makes the point of order that the provisions referred to are legislation on an appropriation bill, and the Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

NAVAL RESERVE

For expenses of organizing, administering, and recruiting the Naval Reserve and Naval Militia; pay and allowances of officers and enlisted men of the Naval Reserve when employed on authorized training duty; mileage for officers while traveling under orders to

and from training duty; transportation of enlisted men to and from training duty, and subsistence and transfers en route, or cash in lieu thereof; subsistence of enlisted men during the actual period of training duty; subsistence of officers and enlisted men of the Fleet Naval Reserve while performing authorized training or other duty without pay; pay, mileage, and allowances of officers of the Naval Reserve and pay, allowances, and subsistence of enlisted men of the Naval Reserve when ordered to active duty in connection with the instruction, training, and drilling of the Naval Reserve; pay of officers and enlisted men of the Fleet Naval Reserve for the performance of not to exceed 48 drills per annum or other equivalent instruction or duty, or appropriate duties, and administrative duties, exclusive, however, of pay, allowances, or other expenses on account of members of any class of the Naval Reserve incident to their being given flight training unless, as a condition precedent, they shall have been found by such agency as the Secretary of the Navy may designate physically and psychologically qualified to serve as pilots of naval aircraft, \$2,745,509, of which amount not more than \$150,000 shall be available for maintenance and rental of armories, including pay of necessary janitors, and for wharfage; not more than \$81,000 shall be available for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department; not less than \$614,196 shall be available, in addition to other appropriations, for aviation material, equipment, fuel, and rental of hangars, not more than \$397,914 shall be available, in addition to other appropriations, for fuel and the transportation thereof, and for all other expenses in connection with the maintenance, operation, repair, and upkeep of vessels assigned for training the Naval Reserve, and of such total sum \$978,491 shall be available exclusively for and on account of Naval and Marine Corps Reserve, aviation: *Provided*, That no appropriation contained in this act shall be available to pay more than one officer of the Naval Reserve and one officer of the Marine Corps Reserve above the grade of lieutenant or captain, respectively, the pay and allowances of their grade for the performance of active duty other than the performance of drills or other equivalent instruction or duty, or appropriate duties, and/or the performance of 15 days' active training duty, and other officers above such grades employed on such class of active duty shall not be entitled to or be paid a greater rate of pay and allowances than authorized by law for a lieutenant of the Navy or a captain of the Marine Corps entitled to not exceeding 10 years' longevity pay: *Provided further*, That no appropriation made in this act shall be available for pay, allowances, or traveling or other expenses of any officer or enlisted man of the Naval or Marine Corps Reserve who may be drawing a pension, disability allowance, disability compensation, or retired pay from the Government of the United States; and "retired pay" as here used shall not include the pay of transferred members of such reserve forces.

Mr. RAMSPECK. Mr. Chairman, I move to strike out the last two words.

I wish to commend the committee for restoring in this bill the funds to provide for 36 drills instead of 24 now enjoyed by the Naval Reserve. I am very much interested in the Naval Reserve, because of the fact that in the city of Atlanta, which I have the privilege of representing, although it is located 300 miles from the Atlantic Ocean, we have a unit of the Naval Reserve which for 3 consecutive years has won the title of being the best-trained unit in the United States. The late Admiral Rabey presented to that unit in Atlanta the trophy which they won for the third consecutive time this last summer.

I think it is to the credit of this fine group of young men who give up their hours in the evening, men who are employed in the regular vocations of business and devote their time to studying the tactics of the Navy so that in time of need they can come to the assistance of our Government. They are entitled to special credit, since they have no method of securing training on the water, being 300 miles away from the ocean, except when they are on a cruise each summer. These men give up their vacations each year for the purpose of fitting themselves to answer the call of this great Government should they be needed. I wish to pay this tribute to that fine group of men and to assure the committee that I hope next year they will be able to restore to them 48 drills, which they ought to have.

Mr. COCHRAN of Missouri. Mr. Chairman, I rise in opposition to the pro forma amendment.

The committee has been very liberal to the Naval Reserve and they have not only increased the number of drills of the Naval Reserve, but they have increased the flying hours, although the estimate did not provide for this.

Mr. AYRES of Kansas. We increased the drills from 24, the number to which they have been administratively restricted this year, to 36, and we increased the Budget esti-

mate for the flying hours from 30 to 45 hours. We have been very liberal with the Naval Reserve, in my judgment.

Mr. COCHRAN of Missouri. The gentleman from Atlanta speaks of being 300 miles away from the sea. We have a Naval Reserve in our city and we are 1,000 miles away from the sea. They are very much interested in their work. As the gentleman knows, and I have called it to his attention on numerous occasions, I realize the situation that confronts the committee, but I do want to express the hope that when the situation will permit the committee will provide for the 48 drills.

Mr. AYRES of Kansas. I may say further to the gentleman from Missouri that we also have provided for the 15-day cruises.

The pro forma amendment was withdrawn.

Mr. DOBBINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOBBINS: On page 13, beginning in line 18, after the word "provided", strike out the remainder of that line and the following lines down to and including all of line 5 on page 14.

Mr. DOBBINS. Mr. Chairman, this amendment would strike out the proviso against which the gentleman from New York [Mr. DELANEY] protested a few minutes ago.

This amendment is offered for the purpose of striking out of the paragraph the words which limit the pay of 17 reserve officers who are detailed to active duty, ignoring the fact that they have earned and are entitled to enjoy a rank higher than that of lieutenant. These officers have the positions to which they are now assigned because they deserved the promotions that brought them this rank. There are 17 of them, not enough to have numerous friends on the floor of the House, but that is no reason they should not have justice in the matter of pay. They are doing the work now.

Mr. AYRES of Kansas. Will the gentleman yield?

Mr. DOBBINS. I yield.

Mr. AYRES of Kansas. Does the gentleman know there is not a single one of these officers who is compelled to accept this duty which he is performing now? Not even the President of the United States could compel one of these men to serve on active duty in time of peace. It is entirely voluntary on their part.

Mr. DOBBINS. There is hardly an officer of this Government who is drafted into service, but the Government needs their services or it would not be utilizing them. The Government is utilizing the services of these men and declining to give in return, by reason of this provision, a fair rate of pay to them.

I have heard no explanation of why a captain or a commander or a lieutenant commander who is assigned to this work and who is performing this duty should receive the pay of a lieutenant who has only had 10 years of service in the Navy. I cannot conceive of any explanation.

It seems to me, Mr. Chairman, if the Government is to utilize the services of these men, it should pay them according to their worth. Of course, it may be argued that the pay is high. The pay of any senior officer of the Army or Navy when he has attained a high degree of proficiency and efficiency may seem to some rather high, but they are performing services that merit that pay. One of them is acting as adviser of the Naval Affairs Committee of the other body in this building. He is capable and competent and is a lieutenant commander and yet receives only a lieutenant's pay.

It seems to me, Mr. Chairman, this proviso should be eliminated.

Mr. AYRES of Kansas. Mr. Chairman, I rise in opposition to the amendment just offered.

I may say, Mr. Chairman, so far as I am personally concerned—and I am inclined to think I speak for the balance of the committee, although I cannot state that positively—I do not see any need to have any Reserve officers in active service, with the possible exception of 1 administering Marine Reserve and 1 administering Navy Reserve affairs, and yet we have 31.

In the first place, we have about 381 surplus regular naval officers who could perform these duties just as well as the Reserve officers who are now performing them, and save this expense.

The National Guard, which is a much larger organization than the Naval Reserve, has not more than five officers performing active duty and receiving pay for it.

As chairman of the committee I may say that if anyone on the floor of this House should offer an amendment that no Reserve officer shall receive pay for the performance of continuous active duty, I should not object to it for a single moment, except, as I said, one with the Navy and one with the Marines as general administrative officers. We do not need any more. We have plenty of Regular officers who can perform these duties, and there is no need of building up an organization of this kind and using officers of the Reserve to perform active duty.

Mr. WADSWORTH. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am impelled to say a few words about this after hearing the chairman of the committee in charge of the bill mention his opposition to the placing upon active duty of any Reserve officers at all, and citing the National Guard as a comparable situation.

As a matter of fact, under the National Defense Act, National Guard officers may, and nearly all of them do, take out Reserve commissions in the same grade which they occupy in the Guard itself. As Reserve officers they are eligible for being ordered to active duty, and while on active duty, of course, they draw the pay of their grade.

I think the chairman of the committee is misinformed as to the number of National Guard officers thus placed from time to time upon active duty. There is a very considerable number of them, because it is the policy of the War Department, within its appropriations, to encourage as many National Guard officers holding Reserve commissions to go on duty for limited periods in order to weld them into the Army of the United States, as contrasted with the old policy which existed before the World War, and so long advocated and insisted upon by the old-fashioned Regular Army of keeping every citizen soldier in the background and refusing to give him a chance.

So National Guard officers, holding Reserve commissions, attend the Army schools. They go to Benning for 3 months, they go to the Signal Corps for 3 months, they go to the Field Artillery school for 3 months at a time, and serve with the General Staff for a year at a time, and while there they draw the pay of their grade.

The policy laid down by the chairman of the committee in charge of this bill, if put into effect, will run absolutely contrary to the policy of the Army. The effort of the War Department is to popularize the Army and bring it closer to the people. The policy proposed by the chairman of the committee is to take the Navy away from the people and not let Naval Reserve officers serve with the Navy in any capacity in time of peace upon an active-duty status. It would be a great pity, and the amendment offered in this particular case will cure one of the grievances, one of the injuries, which from time to time is inflicted upon citizen sailors, as it used to be inflicted upon citizen soldiers by the professional services.

In this bill they are employed in active service, and in the same breath they say they are not worth the price of their grade. These men are sensitive.

Mr. AYRES of Kansas. Will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. AYRES of Kansas. Does the gentleman mean to say that there are Reserve officers in the Army serving on permanent active duty?

Mr. WADSWORTH. They are ordered into active duty for various reasons.

Mr. AYRES of Kansas. I mean continuous active duty. We provide in this bill for Naval Reserve officers to be on active duty in the sense the gentleman means.

Mr. WADSWORTH. Why discriminate in regard to the pay?

Mr. AYRES of Kansas. We do not. This is permanent duty.

Mr. WADSWORTH. That makes it worse, if it is permanent duty.

Mr. AYRES of Kansas. I should agree with the gentleman if the duty were of a necessary character. The gentleman is referring to another class of duty than that here in question. If I am not mistaken, the Army has no reserves on permanent continuous duty.

Mr. WADSWORTH. It depends on how you define "permanent." The officers succeed each other.

Mr. AYRES of Kansas. We are talking about two different things altogether.

Mr. WADSWORTH. The principle is the same in respect to pay.

Mr. AYRES of Kansas. It would be if it were necessary active duty in both cases. I am in agreement with what the gentleman has said as regards the class of duty he speaks of. But I am opposed to reserves being put on permanent active duty which can be performed by a regular naval officer at a saving to the Government. In other words, my aim is to do the same as is done in the National Guard.

Mr. WADSWORTH. The gentleman is not succeeding in getting it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and on a division (demanded by Mr. DOBBINS), there were 17 ayes and 42 noes.

So the amendment was rejected.

Mr. WADSWORTH. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Page 13, line 1, after the comma, strike out the sum "\$2,745,509" and insert "\$3,038,047."

Mr. WADSWORTH. Mr. Chairman, a brief explanation will suffice. The figures I propose will permit the holding of 48 drills per year as compared with 36. If I am correctly informed, the past year the men were allowed to be paid for 24 drills. My plea is to put them on the statutory base, restoring it to 48 drills a year. The reason for that plea is this. It is these 48 drills which keep these men together, and keep their incentive held up during the long months of the year when they come in contact so very, very seldom with the naval authorities themselves. These weekly or nearly weekly drills are the ones which imbue into the men the basic training. I think it is fair to say that a very serious state of affairs arose in both the guard and the Naval Reserve as a result of the paid drills being cut in two, from 48 to 24. The amount involved is very small, compared with the total sums we are dealing in these days, and the money is exceedingly well spent, to my mind. The 48 drills are necessary for the maintenance of the discipline and basic training of these units, and I had hoped the committee would see fit to restore the statutory number of drills for the fiscal year 1935.

Mr. GOSS. Mr. Chairman, I ask recognition in support of the amendment, for many reasons. One reason is that this is the first of the supply bills coming out on national defense, and I take it that as the naval bill goes so will the Army bill go. If we have 48 drills in the Army bill, we want 48 drills in the Navy, because they are going to be treated alike.

Last year this Congress passed a new National Guard Act, which federalized the National Guard, with certain restrictions, which the membership will remember, and made the National Guard a component part of the Army. All of us know that the Regular Army is small enough. Perhaps in this territory of the United States it is just about twice the size of the New York police force. Surely, when we have federalized the guard, we do not want to cripple it to the extent of giving them 36 drills a year instead of 48.

It is well known by all the membership here that the people who come to make up our National Guard and the Reserve of the Navy, for the most part, are men who work in industry, men who work in stores. They are civilians. We ask them to give up 2 weeks of their time every year

to go to camp and train for active duty. What encouragement are we going to hold out to them for becoming more proficient in their line of duty unless we give them the proper number of drills throughout the fall, winter, and spring months to put them into good training so that they can make the best out of their summer practice. I appeal to the House at this particular time, because if we put back the 48 drills in the National Guard and the Naval Reserve it will cost the Government only 3½ million dollars for the next year. That surely is little enough to spend on the national-defense item in these strenuous times, with ships and men trained and ready to perform their duty. I ask gentlemen sincerely to support the amendment of the gentleman from New York. The amount is very small in this bill, \$292,538. It is little enough to put us on record as to supporting 48 drills in this bill, so that the House can be at least consistent when the War Department appropriation bill comes on the floor to support the 48 drills in that bill.

Mr. AYRES of Kansas. Mr. Chairman, of course, no one is in a position to say what will be done in connection with the War Department bill. All of the services should be treated alike. The President has recommended that they all be treated alike and he has proposed 36 drills. I think we have been very liberal in this matter. We have increased the drills from 24, the number to which the Reserves have been administratively limited to this year, to 36. In this connection let me read a paragraph from our hearings. On page 168 of the hearings, in response to a question I asked, Admiral Bloch, the Navy Budget officer, made this statement:

May I state that it was the decision of the President that the National Guard and the Marine Corps Reserve and the Naval Reserve should have a uniform number of paid drills during the fiscal year 1935. The President himself set the number at 36, so that the 36 paid drills incorporated in the estimate for 1935 are in conformity with his decision that the Army, the Navy, and the Marine Corps have the same number or 36 paid drills.

To increase the number to 48 would mean an increase in expenditure of roundly \$3,500,000 for all services.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. AYRES of Kansas. Yes.

Mr. GOSS. That is for both the War Department and this bill.

Mr. AYRES of Kansas. Yes.

Mr. GOSS. This bill actually increases \$292,538.

Mr. AYRES of Kansas. That is true; I mean for an increased number of drills for the three services. It seems to me we should not go beyond 36 drills at this time. It would occasion an extra expense that ought not to be incurred, and, therefore, I hope that the amendment will not be agreed to.

Mr. TRUAX. Mr. Chairman, I rise in support of the amendment. I agree with all that has been said about the efficiency of the National Guard units in the various States. As a matter of fact they are the backbone of our first line of defense in case of emergency. I happen to be quite familiar with the Ohio National Guard, with practically all of its higher officers, and having had the direction of the Ohio State Fair for 6 years, it was my privilege to employ the Ohio National Guard each year to police that fair. We always received more efficient service than we could receive from the local police.

These boys are not alone from the stores and the factories, but many of them are from the farms and from the rural communities. I personally have in my possession a number of letters from the boys in the Ohio National Guard, stating that up until the time of the inauguration of the C.W.A. program, they and their families lived upon the meager drill pay received from the Government.

I happen to know of instances in my home town where families of 4 or 5 or 6 actually weathered the storm through this little drill pay check that came in to these boys. Suppose it does cost a few hundred thousand or a million or so dollars, in these days when we are spending millions and billions of dollars to put people to work and keep them at work, I think every one of my colleagues will agree with me that this money should be appropriated. My

colleagues will also agree that if by any circumstance whatsoever the C.W.A. work should be discontinued at this time or in the near future, God only knows what might happen to this country. You are deluged with letters, as I am, from people who are employed on C.W.A. projects. As far as I am concerned, I expect to support any amount that may be asked for by the President of the United States to keep these men at work and give them a chance to have a job instead of a dole. Here is an opportunity to keep men on the pay roll, to give them an income so that they do not have to obtain C.W.A. jobs or do not have to be put on a dole. For one, I heartily concur with the amendment and expect to support it.

Mr. AYRES of Kansas. Will the gentleman yield?

Mr. TRUAX. I yield.

Mr. AYRES of Kansas. I understood the gentleman to say he was ready to support the President on any matters of this kind. The gentleman heard what I read a moment ago, that the President himself had determined that 36 drills would be sufficient.

Mr. TRUAX. I would reply to the gentleman by saying that I would vote on this amendment the same as I voted on the Economy Act—

Mr. AYRES of Kansas. In other words, the gentleman will support the President when he feels like it—

Mr. TRUAX. Please allow me to answer in my own way.

Mr. AYRES of Kansas. Certainly.

Mr. TRUAX. I shall vote on this amendment the same as I voted when the Economy Act was before this House. I felt it was an injustice to war veterans. I felt that the President was misinformed on it, and I think since then he has partially rectified the mistake by liberalizing the act to the extent of \$21,000,000.

Mr. AYRES of Kansas. I suppose, pursuing the same reasoning, the gentleman assumes the President has been misinformed with reference to these drills?

Mr. TRUAX. I do not presume to say what the President thinks, nor to be his spokesman. I am reciting actual conditions as I know them, and I expect to vote for this amendment for that reason.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. AYRES of Kansas) there were ayes 33 and noes 43.

So the amendment was rejected.

Mr. DOBBINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOBBINS: Page 14, line 3, after the word "than", insert the following: "the average between that authorized for their own grades and that".

Mr. DOBBINS. Mr. Chairman, this amendment is in the nature of a compromise between the amendment I formerly offered, which was rejected by the committee, and the position advanced by the chairman of the subcommittee. It is a concession to the opinion of the chairman, in that he feels that Reserve officers should not be detailed to permanent active duty. It is also a concession, and I think a just concession, to the right of those men who are so assigned to be paid something according to their worth. This amendment, if I may explain it to the committee, provides that an officer above the rank of lieutenant, who is so assigned, shall receive half the difference between the lieutenant's pay and the rank which he enjoys. In other words, a captain who is assigned to this work shall receive pay midway between that of a lieutenant and the pay of a captain. Now, it is said that these positions are unnecessary. If they are, the way to get rid of them is to abolish the positions and not to penalize the men who are doing the work in those positions. It is just as logical to say, and I can agree with the principle, that there ought not be any Republicans in this House; but the Almighty, in His wisdom, has sent a few of them here, and while they are here they should be paid.

In other words, when assigned to the work from the Reserve, some of these officers are doing the same work as a captain in the Navy, but they are being paid according to the pay of a lieutenant in the Navy. I do not think they

should be penalized, because they wish to perform this service. Every one of us is here because he wishes to perform some service to his Government. They are occupying positions which the machinery of this Government has provided, and they should be paid according to their rank. I have not heard one word of explanation why a captain, with many years to his credit, much more experience to his credit, and more ability to his credit, should be subject to the humiliation of drawing a lieutenant's pay when he is assigned to this work; and I do not expect to hear any. This is a compromise. Perhaps I am not talking in a compromising tone of voice. However, this amendment recognizes the contention that these officers, who, through circumstances not within their control, are occupying positions which somebody thinks ought not exist at all, for that reason alone should not receive as much as others who are occupying similar positions. But the amendment also does make some difference between the pay of a captain and the pay of a lieutenant in those positions. A captain in the Navy and a lieutenant in the Navy are as far apart in rank as a colonel and a captain in the Army.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DOBBINS] has expired.

Mr. AYRES of Kansas. Mr. Chairman, of course I could not accept a compromise of that kind. In the first place, my contention is that we do not need these officers on active duty at all. I have nothing to say against the individuals affected. They may be and probably are very fine gentlemen and thoroughly patriotic, and all that, but we do not need them, and if we allow them to be continued on active duty I think they ought to be well satisfied with a lieutenant's pay. We are not seeking to reduce any man's pay under \$4,158. They may draw that maximum rate as Reserve officers on active duty. As I said before, we have a surplus of regular officers who could take their places. We have a surplus of 381. I am just as much opposed to this compromise as I was to the original proposition. I hope the amendment will not prevail.

Mr. FADDIS. Mr. Chairman, I rise in support of the amendment.

Under our system of national defense we do not maintain a large standing Army. It is one of our national characteristics that we object to a large standing Army and a large Navy. Therefore we try to make up this lack somewhat by taking into our armed forces the civilian components of the Army. It is quite obvious that in order to maintain these civilian components in any degree of efficiency they must be given something to bring their morale up to the state where it should be. They must not be discouraged or they cannot exist as an efficient organization.

These men for the large part are men who give their vacations to this kind of training. They furnish their own uniforms; and when all is said and done the pay they receive will little more than cover their actual expenses of training and equipment. So it is no more than just, and I think it is no more than proper encouragement to these civilian components, that they receive as liberal treatment as possible.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

The Clerk read as follows:

ENGINEERING

For repairs, preservation, and renewal of machinery, auxiliary machinery, and boilers of naval vessels, yard craft, and ships' boats, distilling and refrigerating apparatus; repairs, preservation, and renewals of electric interior and exterior signal communications and all electrical appliances of whatsoever nature on board naval vessels, except range finders, battle order and range transmitters and indicators, and motors and their controlling apparatus used to operate machinery belonging to other bureaus; searchlights and fire-control equipments for anti-aircraft defense at shore stations; maintenance and operation of coast signal service; equipment, supplies, and materials under the cognizance of the Bureau required for the maintenance and operation of naval vessels, yard craft, and ships' boats; purchase, installation, repair, and preservation of machinery, tools, and appliances in navy yards and stations, accident prevention, pay of classified field force under the Bureau; incidental expenses for

naval vessels, navy yards, and stations, inspectors' offices, the engineering experiment station, such as photographing, technical books and periodicals, stationery, and instruments; services, instruments, machines and auxiliaries, apparatus, and supplies, and technical books and periodicals necessary to carry on experimental and research work; maintenance and equipment of buildings and grounds at the engineering experiment station, Annapolis, Md.; payment of part time or intermittent employment in the District of Columbia or elsewhere of such scientists and technicians as may be contracted for by the Secretary of the Navy, in his discretion, at a rate of pay not exceeding \$20 per diem for any person so employed; in all, \$15,564,127: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$1,575,000.

Mr. OSIAS. Mr. Chairman, I move to strike out the last word and ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the Resident Commissioner of the Philippine Islands?

There was no objection.

Mr. OSIAS. Mr. Chairman, the Senate Committee on Territories and Insular Affairs this morning met and deliberated on the problem of independence for the Philippines. A decisive action was taken. It consists of extending the time of the Philippine Independence Act (Public, No. 311, 72d Cong.) to October 17, 1934. This important action and the historic announcement of the distinguished chairman, Senator TYDINGS, constitute a triumph of democracy within the meaning of the highest traditions of the American people. They signify, too, a victory for the Filipino people. They are a recognition of the Filipino people's right to determine their fate and liberty, their independence and destiny.

On January 15, 1934, on the very floor of Congress, I rose, pleading for an extension of time by about 9 months, which will be up to October 17. Having asked for this extension of time, in the absence of a definite proposal from the Quezon Mission, in face of the danger of not having any kind of Philippine independence legislation, I am naturally pleased with the action taken by the Senate committee. I feel that it will be welcome news to the preponderant majority of the Filipino people.

I might add that the decision of the Senate committee is in conformity with the views of over two thirds of the Members of the Seventy-second Congress that approved the Hare-Hawes-Cutting law on January 17, 1933, and with the present temper of the Seventy-third Congress. It also accords with the report of the Ninth Philippine Independence Commission headed by Messrs. Osmeña and Roxas, who unanimously recommended acceptance of the Independence Act or the Hare-Hawes-Cutting law, emphasizing that such action would not jeopardize the rights of the Filipino people subsequently to petition Congress for desired and desirable modifications.

The Senate committee's decision to extend the time of the law by 9 months is a fundamental proposal demanding solidarity of sentiment and unity of action. It is a way out of the present dilemma and a means to achieve the freedom and independence of the Philippines.

Mr. Chairman, I ask unanimous consent to include in my remarks at this point the statement of Senator TYDINGS for the Senate committee on the Hare-Hawes-Cutting Act.

The CHAIRMAN. Is there objection to the request of the Resident Commissioner from the Philippine Islands?

There was no objection.

Senator TYDINGS' statement follows:

At the meeting of the Territories and Insular Affairs Committee this morning (January 23), the question of independence for the Philippine Islands was discussed and the following action taken:

1. That there will be no new Philippine legislation in reference to ultimate independence at this session of Congress. However, it was the sense of the committee that the Hawes-Cutting bill would be amended in one particular only and that is to extend the time of the bill which was January 17, 1934, when the Philippine Legislature must move to carry out its provisions to October 17, 1934, and that no other changes in the Hawes-Cutting bill will be considered.

2. Under the Hawes-Cutting bill passed last year the Philippine Legislature was required if it desired independence to take action prior to January 17, 1934. This the legislature refused to

do one way or the other and consequently the Philippine people have had no opportunity to accept or reject the Hawes-Cutting bill.

3. As the elections to the Philippine Legislature are to be held this coming June, and as the last legislature did not act on the Hawes-Cutting bill at all, it was the sense of the committee that an extension of time to give the new legislature a chance on it was fair and the only action the committee would take to alter or consider alterations to the general subject matter.

4. Therefore, it is the committee's desire to give the Filipinos one more chance to accept or reject the Hawes-Cutting bill, if after the new elections the legislature again fails to take action or acts adversely upon the provisions of the Hawes-Cutting bill, it will be notice to Congress that the people of the Philippines do not desire independence and desire to continue with their present status.

5. It is the overwhelming opinion of Congress that the Hawes-Cutting bill is the fairest bill to both nations which can be passed and if the Filipino people do not want it, no better bill can be written and passed.

6. It should be recalled that President Roosevelt in his last campaign on two occasions stated he favored the Hawes-Cutting bill and that this statement of the President makes the above observations complete as far as the two branches of Congress dealing with it have to do.

Mr. OSIAS. Senator TYDINGS said the committee's action was final, and that it placed determination of their destiny squarely before the Philippine people.

Congress retains an open mind about modification of the Hawes-Cutting bill at some future period—

He declared—

however, we must first know if the Filipinos want independence. Perhaps in a few years it will be found some of the provisions of the bill are unfair either to the Philippines or to the United States; in that case Congress would have no objection to consider the objections, with a possibility of modifying the measure if it was deemed advisable.

Mr. TYDINGS, in announcing the committee's action, said it emphatically represented his personal views as well.

The Clerk read as follows:

Pay of naval personnel: For pay and allowances prescribed by law of officers on sea duty and other duty, and officers on waiting orders (not to exceed 908 officers of the Medical Corps, 186 officers of the Dental Corps, 556 officers of the Supply Corps, 83 officers of the Chaplain Corps, 233 officers of the Construction Corps, 109 officers of the Civil Engineer Corps, and 1,461 warrant and commissioned warrant officers: *Provided*, That if the number of warrant and commissioned warrant officers and officers in any staff corps holding commission on July 1, 1934, is in excess of the number herein stipulated, such excess officers may be retained in the Navy until the number is reduced to the limitations imposed by this act), pay, \$27,515,049, including not to exceed \$1,170,297 (none of which shall be available for increased pay for making aerial flights by more than 8 nonflying officers or observers, to be selected by the Secretary of the Navy) for increased pay for making aerial flights; rental allowance, \$5,589,216; subsistence allowance, \$3,511,677; in all, \$36,615,942; officers on the retired list, \$6,003,774; for hire of quarters for officers serving with troops where there are no public quarters belonging to the Government, and where there are not sufficient quarters possessed by the United States to accommodate them, and hire of quarters for officers and enlisted men on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable, \$3,000; pay of enlisted men on the retired list, \$4,631,886; interest on deposits by men, \$3,000; pay of petty officers (not to exceed an average of 6,760 chief petty officers, of which number those with a permanent appointment as chief petty officer shall not exceed an average of 5,910), seamen, landsmen, and apprentice seamen, including men in the engineer's force and men detailed for duty with the Fish Commission, enlisted men, men in trade schools, pay of enlisted men of the Hospital Corps, extra pay for men for diving, and cash prizes (not to exceed \$75,000) for men for excellence in gunnery, target practice, and engineering competitions, \$60,611,606, and, in addition, the Secretary of the Treasury is authorized and directed upon request of the Secretary of the Navy, to make transfers during the fiscal year 1935 from the clothing and small stores fund to this appropriation of sums aggregating not to exceed \$2,000,000; outfits for all enlisted men and apprentice seamen of the Navy on first enlistment, civilian clothing not to exceed \$15 per man to men given discharges for bad conduct or undesirability or inaptitude, reimbursement in kind of clothing to persons in the Navy for losses in cases of marine or aircraft disasters or in the operation of water- or air-borne craft, and the authorized issue of clothing and equipment to the members of the Nurse Corps, \$878,194; pay of enlisted men undergoing sentence of court-martial, \$57,960, and as many machinists as the President may from time to time deem necessary to appoint; pay and allowances of the Nurse Corps, including assistant superintendents, directors and assistant directors—pay, \$402,272; rental allowance, \$15,552; subsistence allowance, \$14,191; pay retired list, \$121,361; in all, \$553,376; rent of quarters for members of the Nurse Corps; pay and allowances of transferred and assigned men of the Fleet Naval

Reserve, \$10,573,590; reimbursement for losses of property as provided in the act approved October 6, 1917 (U.S.C., title 34, secs. 981, 982), as amended by the act of March 3, 1927 (U.S.C., Supp. VI, title 34, sec. 983), \$5,000; payment of 6 months' death gratuity, \$90,000; in all, \$120,027,328, and no part of such sum shall be available to pay active-duty pay and allowances to officers in excess of four on the retired list, except retired officers temporarily ordered to active duty as members of retiring and selection boards as authorized by law: *Provided*, That during the fiscal year ending June 30, 1935, no officer of the Navy shall be entitled to receive an addition to his pay in consequence of the provisions of the act approved May 13, 1908 (U.S.C., title 34, sec. 867): *Provided further*, That no appropriation contained in this act shall be available for the pay, allowances, or other expenses of any enlisted man or civil employee performing service in the residence or quarters of an officer or officers on shore as a cook, waiter, or other work of a character performed by a household servant, but nothing herein shall be construed as preventing the voluntary employment in any such capacity of a retired enlisted man or a transferred member of the Fleet Naval Reserve without additional expense to the Government;

Mr. GOSS. Mr. Chairman, I move to strike out the last word for the purpose of making an inquiry of the chairman.

Is this the section that carries the limitation on the number of officers and enlisted men of the Navy?

Mr. AYRES of Kansas. That is right.

Mr. GOSS. I recall that last year in the hearings it was developed that some 5,000 marines were assigned to able-bodied seaman duty with the Navy. How many are on such duty now because we do not have enough sailors to man our ships?

Mr. AYRES of Kansas. I do not recall the number, but I do not think any appreciable change has occurred since last year. I have not the figures right at hand, but my recollection is the number is about the same as it was last year.

Mr. GOSS. So that we still have to call upon some 5,000 marines to do able-bodied seamen's duty on our battleships, cruisers, and so on.

We are proceeding with a new program of naval construction, and it will be further extended by the bill reported out by the Naval Affairs Committee. How many officers and men will we be short of meeting that construction program with the language of limitation contained in this section?

Mr. AYRES of Kansas. That all depends upon the policy to be adopted as to the number of ships to be kept in active commission and the extent to which we are willing to raise the present complements. For the present, I do not believe we will be short any men. This bill contemplates that the enlisted personnel will be raised to 82,500. In other words, the appropriation provides for 82,500 enlisted men by the close of the fiscal year.

Mr. GOSS. I would like to call attention particularly to the proviso contained in lines 7 to 12 on page 21:

Provided, That if the number of warrant and commissioned warrant officers and officers in any Staff Corps holding commission on July 1, 1934, is in excess of the number herein stipulated, such excess officers may be retained in the Navy until the number is reduced to the limitations imposed by this act.

Now, it is apparent from the language of the bill that we are imposing certain limitations in this act on the number of personnel, not only of warrant officers and enlisted men, but also of officers. If, as the gentleman says, we have some 5,000 marines doing able-bodied seamen's duty, should not the limitations be removed, or have other limitations been put on the number of officers and sailors necessary to man our warships?

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GOSS. I yield.

Mr. TABER. The limitation appearing on pages 20 and 21 is entirely with reference to staff officers, that is officers of the Medical Corps, the Dental Corps, the Supply Corps, and so forth.

Mr. GOSS. This proviso mentions warrant, and commissioned warrant officers, and officers. It is not limited to the staff.

Mr. TABER. Yes; but the limitation in the bill is applicable only to staff officers.

Mr. GOSS. What are we going to do when these new ships are put into commission? I ask the chairman where are we going to find these officers and enlisted men?

Mr. AYRES of Kansas. The construction to which the gentleman refers is all replacement construction. However, we have a surplus of officers at the present time, I may say to the gentleman from Connecticut.

Mr. GOSS. Even with 200 line officers on duty with the C.C.C.?

Mr. AYRES of Kansas. Yes.

Mr. GOSS. And with the two-hundred and odd medical officers on duty with the C.C.C.?

Mr. AYRES of Kansas. Yes; we still have a surplus.

Mr. GOSS. So the gentleman thinks the Navy is overmanned with officer personnel?

Mr. AYRES of Kansas. I do. There is no doubt about it.

Mr. GOSS. How much is it overmanned?

Mr. AYRES of Kansas. I should say several hundred.

Mr. GOSS. But we have 400 with the C.C.C. organizations. The gentleman is not overlooking them, is he?

Mr. AYRES of Kansas. No.

Mr. GOSS. What I am trying to find out is whether we will have a sufficient personnel to man these new ships.

Mr. AYRES of Kansas. We are overly supplied at this particular time. I see no occasion to be alarmed about future requirements. They will be available, I am sure, if and when needed.

Mr. GOSS. What about the enlisted personnel? It seems a crime to have to take enlisted men of the Marine Corps, men especially trained, devil dogs, as they have been called, to do ordinary seamen's duty.

Mr. AYRES of Kansas. As the gentleman well knows, there is nothing unusual about that. Marines aboard ship have always been assigned battle stations.

Mr. GOSS. But they are supposed to be doing Marine Corps duty rather than able-bodied seamen's duty.

Mr. AYRES of Kansas. They have always performed naval duties in addition to their duties as marines.

Mr. GOSS. If we got into a scrap would we have enough men to man our ships?

Mr. AYRES of Kansas. I am sure the gentleman understands that it has never been the policy to maintain full complements in times of peace.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

Subsistence of naval personnel: For provisions and commuted rations for enlisted men of the Navy, which commuted rations may be paid to caterers of messes in case of death or desertion, upon orders of the commanding officers, at 50 cents per diem, and midshipmen at 75 cents per diem, and commuted rations stopped on account of sick in hospital and credited at the rate of 66 cents per ration to the naval hospital fund; subsistence of men unavoidably detained or absent from vessels to which attached under orders (during which subsistence rations to be stopped on board ship and no credit for commutation therefor to be given); quarters and subsistence of men on detached duty; subsistence of members of the Naval Reserve during period of active service; subsistence in kind at hospitals and on board ship in lieu of subsistence allowance of female nurses and Navy and Marine Corps general courts-martial prisoners undergoing imprisonment with sentences of dishonorable discharge from the service at the expiration of such confinement; in all, \$13,408,072.

Mr. TABER. Mr. Chairman, I move to strike out the last word for the purpose of calling the attention of the House to a certain situation. This relates not only to the particular item that has just been read, but also relates to the entire supply features of the bill. This appears on page 200 of the hearings on the bill. This bill was gotten up on the basis of prices back in the fiscal year 1933, as I understand it.

Mr. AYRES of Kansas. Will the gentleman yield?

Mr. TABER. I yield.

Mr. AYRES of Kansas. I think the gentleman is in error. I think it is based upon prices obtaining in 1932.

Mr. TABER. Nineteen hundred and thirty-three, I said. The gentleman from Connecticut here suggests 1932, but I did not.

Mr. AYRES of Kansas. I say 1932 also; late in 1932.

Mr. TABER. Late in 1932; all right. At the present time if we were to go into the market to buy these supplies, the

Department tells us we would have to pay from 20 to 25 percent additional, and if we were to go ahead and operate on the basis of present prices, we would have to have from 13 to 15 million dollars more money. That situation means just this, either prices are going to collapse and go down to where they were a year or a year and a half ago, or else we are going to have to pass a deficiency appropriation in order to meet this situation. I am not going to offer an amendment to meet this situation, but I think the House and the country should know as we approach consideration of these different items what is in store for them later on.

The pro forma amendment was withdrawn.

The Clerk read as follows:

AVIATION, NAVY

For aviation, as follows: For navigational, photographic, aerological, radio, and miscellaneous equipment, including repairs thereto, for use with aircraft built or building on June 30, 1934, \$672,152; for maintenance, repair, and operation of aircraft factory, air stations, fleet air bases, fleet and all other aviation activities, accident prevention, testing laboratories, for overhauling of planes, and for the purchase for aviation purposes only of special clothing, wearing apparel, and special equipment, \$10,066,800, including \$120,000 for the equipment of vessels with catapults and including not to exceed \$100,000 for the procurement of helium, and such sum shall be transferred to and made available to the Bureau of Mines on July 1, 1934, in addition to which sum the Bureau of Mines may use for helium-plant operation in the fiscal year 1934 the unexpended balance of funds transferred to it for such operation in the fiscal year 1933, and the Bureau may lease, after competition, surplus metal cylinders acquired for use as helium containers; for continuing experiments and development work on all types of aircraft, including the payment of part-time or intermittent employment in the District of Columbia or elsewhere of such scientists and technicians as may be contracted for by the Secretary of the Navy, in his discretion, at a rate of pay not exceeding \$20 per diem for any person so employed, \$1,773,368; for new construction and procurement of aircraft and equipment, spare parts and accessories, \$6,131,000, of which amount not to exceed \$2,400,000 shall be available for the payment of obligations incurred under the contract authorization carried in the Navy Appropriation Act for the fiscal year 1934; in all, \$18,643,320; and the money herein specifically appropriated for "aviation" shall be disbursed and accounted for in accordance with existing law and shall constitute one fund: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$971,200: *Provided further*, That in addition to the amount herein appropriated, the Secretary of the Navy may, prior to July 1, 1936, enter into contracts for the production and purchase of new airplanes and their equipment, spare parts, and accessories, to an amount not in excess of \$2,800,000: *Provided further*, That the Secretary of the Treasury is authorized and directed, upon the request of the Secretary of the Navy, to transfer not to exceed in the aggregate \$24,000 from this appropriation to the appropriations "pay, subsistence, and transportation, Navy", and "pay, Marine Corps" to cover authorized traveling expenses of officers and enlisted men in connection with flying new airplanes from contractor's works to assigned station or ship, including travel to contractor's works and return of personnel to station of duty, and the amount so transferred shall be in addition to any limitations contained in the appropriations "pay, subsistence, and transportation, Navy", and "pay, Marine Corps": *Provided further*, That no part of this appropriation shall be expended for maintenance of more than six heavier-than-air stations on the coast of the continental United States: *Provided further*, That no part of this appropriation shall be used for the construction of a factory for the manufacture of airplanes: *Provided further*, That the Secretary of the Navy is hereby authorized to consider, ascertain, adjust, determine, and pay out of this appropriation the amounts due on claims for damages which have occurred or may occur to private property growing out of the operations of naval aircraft, where such claim does not exceed the sum of \$500.

Mr. AYRES of Kansas. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: On pages 35 and 36, after the comma in line 23, page 35, strike out all of the matter down to the word "and", in line 2, page 36.

Mr. AYRES of Kansas. Mr. Chairman, this clause, which appears in the 1934 appropriation act, was left in the print inadvertently. It is perfectly obvious it will be ineffective as to next year and should be omitted.

The committee amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. JONES: Page 35, line 22, strike out the words "and such sum" and insert in lieu thereof "which sum of \$100,000."

Mr. AYRES of Kansas. Mr. Chairman, I will accept the amendment.

The amendment was agreed to.

The Clerk read down to and including line 13, page 46.

Mr. AYRES of Kansas. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H.R. 7199, the naval appropriation bill, had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—MAINTENANCE OF CREDIT OF THE UNITED STATES (H.DOC. NO. 224)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered printed.

To the Congress of the United States:

Pursuant to the provisions of section 20, title I, of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, I am transmitting herewith certified copies of the following Executive orders, which were approved by me on January 19, 1934:

Executive Order No. 6565 (Veterans' Regulation No. 1 (c)).

Executive Order No. 6566 (Veterans' Regulation No. 6 (b)).

Executive Order No. 6567 (Veterans' Regulation No. 9 (b)).

Executive Order No. 6568 (Veterans' Regulation No. 10 (c)).

Executive Order No. 6565 amends Executive Orders No. 6156, June 6, 1933, and No. 6229, July 28, 1933.

Executive Order No. 6566 amends Executive Order No. 6232, July 28, 1933.

Executive Order No. 6567 amends Executive Order No. 6158, June 6, 1933.

Executive Order No. 6568 amends Executive Orders No. 6098, March 31, 1933, and No. 6234, July 28, 1933.

These veterans' regulations were issued in accordance with the terms of title I, Public, No. 2, Seventy-third Congress "An act to maintain the credit of the United States Government."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 23, 1934.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate insists upon its amendments to the bill (H.R. 6670) entitled "An act to provide for the establishment of a corporation to aid in the refinancing of farm debts, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FLETCHER, Mr. GLASS, Mr. WAGNER, Mr. GOLDSBOROUGH, and Mr. TOWNSEND to be the conferees on the part of the Senate.

APPOINTMENTS

The SPEAKER announced the following appointments:

Pursuant to the provisions of title 34, section 1081, United States Code, the Chair appoints as members of the Board of Visitors to the Naval Academy the following Members of the House: Mr. BULWINKLE, of North Carolina; Mr. BOLAND, of Pennsylvania; Mr. CADY, of Michigan; Mr. FREAR, of Wisconsin; Mr. CARTER, of Wyoming.

Pursuant to the provisions of title 16, section 715a, United States Code, supplement VI, the Chair appoints as members of the Migratory Bird Conservation Commission the following Members of the House: Mr. McREYNOLDS, of Tennessee; Mr. BOLTON, of Ohio.

Pursuant to the provisions of title 16, section 513, United States Code, the Chair appoints as members of the National Forest Reservation Commission the following Members of the House: Mr. DOXEY, of Mississippi; Mr. WOODRUFF, of Michigan.

Pursuant to the provision of title 24, section 236, United States Code, the Chair appoints as Directors of the Columbia Institute for the Deaf the following Members of the House: Mr. BLOOM, of New York; Mr. FOCHT, of Pennsylvania.

Pursuant to the provision of title 20, section 43, United States Code, the Chair appoints as Regents of the Smithsonian Institution the following Members of the House: Mr. GOLDSBOROUGH, of Maryland; Mr. CRUMP, of Tennessee; Mr. GIFFORD, of Massachusetts.

MEMBERS OF COMMITTEES

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution and move its immediate adoption.

The Clerk read as follows:

House Resolution 234

Resolved, That CHARLES A. PLUMLEY, of Vermont, be, and he is hereby, elected a member of the Committees on Military Affairs and World War Veterans' Legislation;

That CHARLES D. MILLARD, of New York, be, and he is hereby, elected a member of the Committee on Elections No. 2.

The resolution was agreed to.

FOREIGN MARKET FOR AMERICAN COTTON

Mr. PARKER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a letter from Hon. William Murphey, president of the Citizens and Southern National Bank of Savannah, Ga., and an editorial from the Savannah Morning News, with reference to providing foreign markets for the disposition of American cotton.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PARKER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

THE CITIZENS AND SOUTHERN NATIONAL BANK,
Savannah, Ga., January 19, 1934.

HON. HOMER C. PARKER,
Congressman First District of Georgia,
House of Representatives, Washington, D.C.

MY DEAR HOMER: I have been reading in the papers every day of different proposals made to the Congress of the United States concerning the control of cotton production in this country, and I am forced to write this letter to ask if anyone is giving any consideration whatever to the foreign market for our cotton.

Normally the South produces about 15,000,000 bales of cotton annually. The production, buying and selling, financing, and distribution of this cotton give occupation to approximately 2,000,000 farm families, to the railroads, boat and ship lines, gins, compresses, warehouses, port facilities, merchants and bankers, and to several million workers. American mills consume about 6,000,000 bales. The exported balance normally brings between four and six hundred million dollars annually to the South to feed lifeblood into all of its economic enterprises. This is new wealth created and obtained.

If we are to abandon our foreign market for cotton and then solve the surplus problem only by reducing again and again the quantity produced, not only will economic collapse result in the South but several million workers now employed in the South will be turned loose to seek jobs elsewhere in competition with other labor.

I hope that the Members of Congress for the cotton-producing States will get together and insist that instead of ruining our basic crop production and abandoning our outside markets to the other nations of the world that we take steps to broaden our market and bring into the South this new wealth which is so much needed.

Sincerely yours,

WILLIAM MURPHEY.

[From the Savannah Morning News, Jan. 22, 1934]

BUILD FOREIGN COTTON MARKET

Considerable thought to the problem of increasing the foreign market for American cotton has been given by William Murphey, president of the Citizens and Southern National Bank, as evidenced by his recent communication to Senator WALTER F. GEORGE and Congressman HOMER C. PARKER, inquiring whether anyone is giving any consideration whatever to the foreign market for our cotton.

The conclusion drawn from his letter is that, instead of concentrating entirely on crop reduction as a panacea for the surplus-

cotton problem, attention should be directed to means of stimulating world demand for cotton. He sees grave danger of economic collapse in the South if we are to abandon our foreign market for cotton, and then solve the surplus problem only by reducing again and again the quantity produced and turning loose several million workers to seek jobs elsewhere in competition with other labor.

Mr. Murphey's reasoning convincingly demonstrates that the problem is being tackled at the wrong end and that, instead of curtailing production, intensive study should be directed to promoting exportation to other countries. If a merchant finds he has too large a stock of goods on hand, he does not start chucking part of it into the furnace, but turns his thoughts to creating a greater demand and increasing the number of his customers. It seems logical that Uncle Sam should pursue a similar policy in connection with his surplus cotton. As pointed out by Mr. Murphey, the South normally produces about 15,000,000 bales of cotton annually. American mills consume about 6,000,000 bales. The exported balance normally brings between four and six hundred million dollars annually to the South. It behooves the South, therefore, to safeguard and broaden its market for cotton, since far less than half of the cotton produced is consumed in our own country.

Glancing back at the statistics at the close of the 1932-33 season on July 31, we find that England was Savannah's best customer during that year, having absorbed 145,830 bales. France took 3,080 bales and the remainder of the European continent divided 98,897 bales, while the Far East's buying of Savannah cotton, which the previous year had been Savannah's best customer, was limited to 17,597 bales.

An encouraging view of the situation was taken in the review of the 1932-33 season by the New York Cotton Exchange, the annual year book of which said: "While the expansion of the supply was being checked by reduced production in the United States, world consumption of cotton recorded a very great increase. The increase occurred entirely in American cotton, since many mills used American cotton in place of foreign growths because of the relative cheapness of the American staple. The total consumption of foreign cottons was a little less than that of the previous season. World consumption of American, together with a small amount destroyed, aggregated 14,435,000 bales, as against 12,568,000 the season before. World consumption of foreign cotton totaled 10,367,000 bales, as against 10,501,000 the season previous. Hence world consumption of all cottons was 24,802,000 bales, as compared with 23,069,000 in the previous season. The consumption of 24,802,000 was highly encouraging, considering the severe trade depression throughout the world and the fact that the normal consumption in pre-depression years was only 25,000,000 bales. In consequence of the reduced production and the increased consumption, the world all-cotton carry-over at the close of the 1932-33 season was only 16,247,000 bales as compared with 17,412,000 the year before."

THE HOUSE SURRENDERS THE CONSTITUTIONAL OBLIGATION OF CONGRESS TO CONTROL AND REGULATE MONEY

Mr. MCGUGIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, including some editorials, which I quote therein.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. MCGUGIN. Mr. Speaker, the House of Representatives, in its hasty, ill-considered deliberation on the far-reaching monetary bill, which passed the House Saturday, brought severe criticism upon itself. This criticism against the House is not only because it passed the bill but the manner in which it passed it. The leadership in control of the House refused to permit the committee in charge of the bill to have any reasonable time to consider the bill. Then, when the bill was brought upon the floor Saturday, the House did not conduct itself as a serious deliberative body. It is such conduct as this which leads the people to lose confidence in representative government.

There was no occasion for the House to conduct itself as it did. The leadership of this House had fair warning that the committee in charge of this bill wanted time to study the contents of the bill and to hear expert witnesses upon the bill.

Let us review the record on that subject. In the proceedings of the House on January 18, Mr. BYRNS, majority leader, undertook to obtain the unanimous consent to start the program to railroad this bill through the House. Mr. SNELL, the minority leader, appealed to him and to the House to give the committee in charge of this bill sufficient time to consider it. Let me quote from the words of Mr. SNELL, on page 880 of the RECORD of January 18:

I may say to the majority leader, considering the importance of the bill and how vitally it affects not only the present generation but several generations to come, it seems to me that the

Committee on Coinage, Weights, and Measures has not yet had sufficient time to secure the information that should have been given to the committee and, in my judgment, is absolutely necessary before we pass on such an important measure.

Mr. McFADDEN, of Pennsylvania, in column 1, page 882, in the RECORD of the 18th, offered the objection which denied unanimous consent. Under the rules of the House, this denial of unanimous consent for the request of the majority leader, Mr. BYRNS, could only stay the matter for 24 hours. Immediately after Mr. McFADDEN offered this objection, the Rules Committee was called together and began to prepare a rule which could be presented the next day to bring this bill up for immediate consideration. Thereupon the Committee on Coinage, Weights, and Measures went into immediate session. The committee wanted a longer time. The committee instructed the Chairman of the Coinage, Weights, and Measures Committee to appeal to the Rules Committee, at least, to give the Coinage, Weights, and Measures Committee until Monday to consider the bill. The chairman, Mr. SOMERS, made such an appeal to the Rules Committee. It was in vain. The Rules Committee insisted upon bringing the bill up for final consideration Saturday.

The minority members of the Coinage, Weights, and Measures Committee wanted to bring in witnesses whose knowledge of this subject is unquestioned. Among the witnesses who would have been called were Newton D. Baker, a former Democratic Secretary of War; Mr. Houston, a former Democratic Secretary of the Treasury; prominent economists associated with some of the leading universities of America; and outstanding men in American finance. Of this list of witnesses there was not a single one to whom any partisan bias or prejudice against the bill could possibly be credited. We, in the minority, in presenting these names, refrained from calling in any prominent Republicans, who might also be students of finance. We did this because we sincerely wanted light and advice on this bill, and we did not want anyone to be able even to point the finger of partisan suspicion toward any witness who might appear before the committee. We could not have the witnesses because the Democratic leaders in control of the House, thereby in control of the Rules Committee, would not permit us to have sufficient time to deliberate over this bill.

Warning was not only given to the leadership of the House that time should be given for the consideration of this bill from the Republican Members of the House, but a similar warning came from the Democratic press of this country. In this connection, I wish to quote an editorial from the Baltimore Sun of January 20, a Democratic paper which supported Mr. Roosevelt in the campaign and has been and is now one of the outstanding Democratic papers in the country. I quote:

LOOK BEFORE YOU LEAP

One of the most encouraging signs appearing on the legislative horizon since Congress met is the disinclination of a few Members of the House and Senate to be stampeded into immediate acceptance of the President's recommendations for a new monetary policy. If the only question involved were the question of dollar devaluation the case for a thorough scrutiny of the monetary program might not be so impressive. Devaluation, as Roy A. Young, governor of the Boston Federal Reserve Bank, told the Senate committee yesterday, is an accomplished fact in general, although the precise rate remains to be determined. And it would be supererogatory to make too much of a fuss over water that is already over the dam.

But there are a great many other things that are involved in the bill the administration is asking Congress to pass by Tuesday. Some of the sections, as Mr. Young said, commit us permanently to an irredeemable currency. Adoption of those sections would mean not a simple change in the gold value of our currency but a complete reversal of the whole theory upon which our monetary system has been built up. Members of Congress who want to know what it is all about before making a commitment of such tremendous consequence are showing a commendable sense of their legislative responsibilities.

Nor is the reversal of our monetary policy the only issue on which more light is needed before final action on the monetary program. The bill embodying the President's recommendations covers a great variety of things. It proposes to vest in the Secretary of the Treasury alone a perpetual authority over the \$2,000,000,000 stabilization fund to be created from the paper profits of dollar devaluation. It proposes to ratify and confirm everything

the President and his advisers have done under the Emergency Banking Act and the Thomas Inflation amendment to the Farm Relief Act. Congress, as Representative McGUIN of Kansas said in the House on Thursday, cannot vote intelligently on these matters without some time for study and examination.

Mr. McGUIN might have added to his catalog of questions on which time for study is necessary the proposed reforms in the system of issuing bonds and short-term securities which Secretary Morgenthau has asked to have tacked on to the monetary bill. Mr. Morgenthau's request, submitted at the eleventh hour, envisages an authorization for the increase of the short-term debt from \$7,500,000,000 to \$10,000,000,000. Under the same program the Secretary of the Treasury would also be empowered to offer long-term securities to the banks without advertising for public subscriptions. These are changes of policy potentially far-reaching in their implications.

It may be that the changes can be shown to be desirable. But it is to be remembered that our short-term debt is already unwieldy and that its increase by one third would add materially to the weight of the problem of refinancing that hangs over the Treasury. It is to be remembered further that the banks are already loaded up on Federal securities and that to authorize the Treasury to issue a banking loan of the proportions envisaged in the recent Budget message might create a situation in which one half of the banking resources of the country would be tied up in Government bonds. Congress ought to know whether this is good banking and good public financing before accepting such a proposal.

With the desire of the administration to expedite the consideration of the monetary program it is easy to sympathize up to a certain point. Current monetary uncertainties are interfering with Government financing and with the operations of private business. It is important to end them at the earliest practicable moment. But the need for monetary certainty is not so great as to override all the ordinary precautions of representative government. Congress ought at least to look before it leaps.

In the CONGRESSIONAL RECORD of January 18, on page 881, as a minority member of the Committee on Coinage, Weights, and Measures, which was considering this bill, I made the following statement in the House and directly to Mr. BYRNS, majority leader:

If the House will give the Committee on Coinage, Weights, and Measures an opportunity to proceed in an orderly manner, as every other committee has had the opportunity to do, it will report this bill promptly. I think the committee should have the opportunity of holding not to exceed 2 days of legitimate hearings. If we cannot have this, of course, we shall have to bring the bill in without any consideration.

In the face of appeals for a reasonable time to consider this bill from both Republican and Democratic members of the committee, and from the minority leader, Mr. SNELL, and from the Democratic press, the Democratic leadership of the House, through its control of the Rules Committee, forced this bill into the House for consideration on Saturday before the committee or the general Membership of the House had had a reasonable opportunity to consider this important and far-reaching legislation. Then, laying the party lash upon an overwhelming majority, the bill was forced through the House on Saturday. Not only did this majority force this bill through the House, trampling under foot every amendment offered, but did so with little or no consideration of the merits or demerits of the amendments. The House not only overrode these amendments without reasonable consideration of the contents of the bill or merits of the amendments, but conducted itself in a manner wholly unbecoming of a legislative body. I call your attention to an editorial comment from this outstanding Democratic paper, the Baltimore Sun. I quote an editorial from the Sun of Monday, January 22, which pertains to the conduct of the House in the consideration of this bill:

THE LEGISLATIVE PROCESS

In passing the gold reserve bill, the House of Representatives acted more like a boss-controlled party convention than a serious legislative assemblage. Here was a measure which proposed not only to devalue the dollar but also to reverse the whole direction of our monetary policy. It was a bill which in the opinion of not a few informed students of banking proposed to nullify the theory of the Federal Reserve Act and to invest a single public official with power to manage in perpetuity a fund of \$2,000,000,000 set up for the express purpose of jiggling the money markets.

Yet the House adopted it as a national convention might adopt a platform couched in meaningless platitude. The bill had been rushed through committee without adequate hearings, chiefly because the committee which handled it wanted to get ahead of another committee bursting with ambition to consider it. It came to the floor in such questionable form that the very chairman of the group reporting it announced that after its passage he was "going

to call his committee together to study ways to perfect it." The debate on the floor was dull and perfunctory, and was limited to 3 hours on the bill itself, with an additional hour on the gage rule under which the bill was forced to an immediate passage. The only amendment to arouse the slightest interest was a silly proposal by Representative PATMAN prohibiting the use of exported gold to aid the Bank for International Settlements or to assist any foreign institution.

The vote of 359 to 40 by which the bill was adopted at the end of this travesty was the sort of verdict which a mob of super-heated delegates might be expected to register on orders from a group of bosses in a smoke-filled room. It was not the sort of thing to be expected from a body of seriously intentioned legislators desirous of directing their action to the ends of national welfare. This is not to say that the bill for which the House fell over itself to vote is undesirable or that, with certain perfecting amendments to which Chairman SOMERS, of the Coinage Committee, may or may not have been referring, it is not adapted to the purposes of the moment.

The point is that neither the committee nor the Members of the House had any opportunity to satisfy themselves on this point. They simply took a leap in the dark of monetary experimentation because the White House cracked the whip. The Members of the House, which is supposed to be the great popular branch of the National Legislature, left the real responsibilities of a popular assemblage up to the Senate. We have heard a great deal in recent months about the delegation of legislative power. The manner in which the House passed the buck to the Senate on a measure as momentous as any to come before a momentous Congress is one of the supreme acts of delegation in our national history.

If we are to go into this monetary experiment with our legislative eyes open, it is now up to the Senate to open them. The Senate Banking Committee has started out very well. It has inaugurated a series of hearings at which the pros and cons of the President's program are being discussed in orderly and measured fashion. Should the committee and the Senate carry on in the same tempo and on the same level, Senators and citizens as well may know more about this thing before its inevitable adoption. To this illumination of a difficult question, neither the administration nor its fondest supporters can reasonably object. If the President's program is as well prepared to stand the test of experience as they say, it ought to be able to stand the test of a few days' debate in a Congress which the administration controls.

If it is fit to challenge the verdict of history, it ought at least to be able to challenge a little legislative illumination.

The bill has been passed by the House. Now, if parliamentary government in America is to retain reasonable public respect, the Congress must depend upon the Senate. In support of this statement I offer an editorial from another great Democratic paper, which was most friendly to Mr. Roosevelt in his campaign and is now friendly to his administration. That paper is the New York Times. Following is the editorial in the New York Times of January 23:

HOW NOT TO LEGISLATE

The full report of the proceedings of the House of Representatives on Saturday, January 20, as printed in the CONGRESSIONAL RECORD presents an extraordinary picture of legislative hurry and confusion. The business was consideration of the President's monetary bill. Of it two different prints were in the hands of Members. They did not agree in either pagination or phraseology. Many sincere efforts were made by Representatives like Mr. WADSWORTH, of New York, Mr. LUKE, of Massachusetts, and Mr. BEEDY, of Maine, to elicit from the Democrats in charge of the measure explanations of some of its ambiguous clauses. All was in vain. The time was too short or knowledge was lacking. When debate was cut off and the bill was about to pass, Mr. BEEDY stated: "I do not think there are 10 Members in this House who can go back to their constituents and intelligently explain the provisions of the bill."

Along the same trend of thought I present an editorial from another newspaper, the Philadelphia Inquirer:

IT IS UP TO THE SENATE

In rushing the administration gold bill to passage late Saturday the House did exactly as it had been expected to do. Debate had been limited to 3 hours, but was extended to more than 7 hours by discussion of amendments. However, in view of the sketchy treatment which the highly important legislation was accorded by House committees, the debate on the floor could hardly be called thorough and exhaustive.

While the House was sweeping the bill through, the Senate Banking and Currency Committee was hearing additional vigorous opposition to the measure from prominent financial advisers. And in the volcanic debate in the House enough opposing views of the Republican minority were aired to bring from Representative BEEDY, Maine Republican, the remark that anyone who could vote for the measure after the proceedings "has an elastic conscience and an india-rubber brain."

While the 360 to 40 vote in the House forecasts an administration victory in the Senate, there should be on the Senate floor a wide and thorough discussion of a proposal which goes beyond the emergency measures of the Roosevelt recovery program and

into a permanent financial policy, as yet untried, centralizing tremendous power in the Secretary of the Treasury.

The Nation realizes as well as Congress that the President should have strong support in his emergency measures to rout the forces of depression. But on questions of permanent monetary policy, bearing tremendous possibilities for the country's financial future, there should be a stop, look, consider warning posted in the Senate.

Among the things which the House did in its turbulent conduct was to defeat an amendment which would have made section 10 legislation to meet an emergency instead of permanent legislation. In doing so there was taken away from Congress and placed in the hands of the Secretary of the Treasury permanent control over money. The House did this notwithstanding the fact that the Constitution vests in the Congress and the Congress alone the power to control and regulate the value of money. When the House did this it had fair warning of what it was doing. I offered an amendment which would have made this power temporary instead of permanent. Also by this amendment during this temporary period the power would have been vested in a board of five composed of the President, the Secretary of the Treasury, the Governor of the Federal Reserve Board, and two other members to be appointed by the President. I tried as best I could to give the House fair warning as to what it was doing by passing this bill with section 10 as it was in the bill without any amendment. In column 1, page 979, in discussing this subject, I said:

This bill seeks to turn over the full control of the power of money into the hands of one man, the Secretary of the Treasury, not only this Secretary of the Treasury but all Secretaries of the Treasury which may come after him. The framers of the Constitution in their wisdom placed, not in the President of the United States, but in the Congress the power to coin money and regulate the value thereof. When we provide a \$2,000,000,000 fund for the Secretary of the Treasury to use to beat up or down American money, to beat up or down the currency of every other country, we have placed in the hands of one man the economic destiny of 126,000,000 American people. In doing so we have betrayed our constitutional obligation to retain in the hands of Congress the power to control money.

The House not only had these statements from me but it also had the following statement from an outstanding authority, the Committee for the Nation, before it on two different occasions, once in column 1, page 968, of the RECORD of January 20, and another time in column 1, page 1004. I quote from the Committee for the Nation:

Regulating the purchasing power of our United States money imposed as a duty by the Constitution upon the Congress is the highest act of sovereignty. Permanent relinquishment of this function by Congress to one Cabinet member is so momentous a step that it should have full discussion before being taken.

However, the House was in no frame of mind to pay any regard to its constitutional obligations. The crowd was in action. The merciless power of organization votes was controlling the proceedings of the day.

The conduct of the House in giving over this control of money to the Secretary of the Treasury and deserting its own constitutional obligations has brought upon it the unanimous criticism of the leaders of all shades of monetary reform. Among those who have insisted that the wrong done by the House must be corrected by the Senate are Frank Vanderlip, Committee for the Nation, Owen D. Young, Walter Lippmann, Rev. Charles Coughlin, Dr. Edwin W. Kemmerer, Dr. H. Parker Willis, and James P. Warburg.

In fact, there seems to be few if any who favor this surrender of Congress of its constitutional obligation except him, whoever he may be, who prepared the original draft of this bill, and the majority Membership which drove it through the House with section 10 in its original form. Even those who drove it through the House do not defend this surrender of Congress of its constitutional obligation over the control of money on any ground of righteousness or wisdom. The defense offered by the majority in the House for its conduct in this matter is party loyalty. Certainly this is a poor excuse for Congress to surrender its constitutional functions. Party loyalty or party cooperation is highly essential and highly desired in an emergency but

I submit that it cannot justify congressional betrayal of a constitutional obligation upon Congress.

FEDERAL OLD-AGE COMPENSATION

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech delivered by my colleague from Kentucky [Mr. BROWN].

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address of my colleague from Kentucky [Mr. BROWN]:

I am speaking tonight under the auspices and by the courtesy of the National Old Age Pension Association, headed by Dr. J. E. Pope, who has given much valuable time and service to this worthy cause. It is the purpose of the National Old Age Pension Association to foster legislation which will provide, in a meager way, for those persons past the age of 65, who are unable to take care of themselves, and to care for those between the ages of 40 and 65 who, by reason of physical or mental inability, cannot earn a livelihood.

In the mind of the average business man or woman, the first question asked will undoubtedly be the cost of such pension laws. May I at this time set your minds at ease as to any additional cost over and above that now entailed by our present poorhouse system.

The Bureau of Labor statistics has stated that, in the poorhouses of America, the average cost of caring for an inmate is \$336 per year. For approximately this same sum, we can give relief to dependent old age from the horror of being compelled to accept degrading shelter in pauper institutions. It is not necessary to argue, in this age of realization of social responsibility, that it would be better to pay a direct pension to the aged than to force them into the humiliation of accepting their livelihood in poorhouses, especially when the cost is not appreciably different.

There may be those who will argue that such laws will put a penalty on thrift and will encourage shiftlessness and lack of foresight by removing the incentive for saving. This argument has no basis of fact, especially in an age of economic maladjustment which has thrown into the breadline approximately one third of the population of this country. We have just emerged from an age of rugged individualism, an age that has accepted no responsibility for the welfare of others but has lauded and cheered those who could carve out fortunes for themselves regardless of the manner or means used in piling up their millions. The heroes of the past have been masters of finance who could reach out into the public income and grab off from the earnings of others multiplied millions for themselves. To such extremes did we go in the direction of rugged individualism that, in the year 1928, we had in this country 43,184 millionaires, and in the same year we witnessed the beginning of the greatest bread line in the history of our country, for in that year we had approximately 3,000,000 unemployed men. The bread line grew until one third of the population of our country was dependent upon charity or the Government for their livelihood. I would not want to belittle wealth or the accumulation of wealth. I am inclined to agree with the old farmer who, hearing many people speak of tainted money, remarked to his wife that "the trouble with tainted money, Martha, is 'taint ours.'" However, recognizing the property rights of American citizenship and their right to store up this world's goods for themselves, we must recognize another fundamental principle of government, and that is this: That a government's primary obligation is to take care of that portion of its citizenship which is unable by circumstances or surroundings to take care of itself.

I lay this down as a fundamental tenet in every form of successful government, that any government which fails to see to it that the lowliest of its citizenship has at least an opportunity for the minimum benefits of life has failed in its first and last duty as a government. You can trace the history of governments as far back as the human mind has ever recorded, and you will find no exception to this rule in the history of the lives of governments. Indeed, the first government known to the human mind was the family, and it is a poor father who would allow one of his children to starve while he heaped an excess of necessities and luxuries on the others. The next government known was a combination of families, called a tribe, and it was a poor chieftan who would allow a portion of his tribe to starve; and if he allowed this condition to exist, it did not take the tribe long to depose him. When tribes became multiplied into cities and nations, the law did not change. Whenever a government failed to take care of the minimum needs and wants of its citizenship, the government ceased to exist. What reason is there for paying tribute in taxes or in loyalty to a government which recognizes no responsibility to its citizenship in distress? Multiply the families and tribes of the past until they become 48 great States, headed by a Government at Washington, D.C., and you have not repealed the primal law that government must take care of such portions of its citizenship as are unable by circumstances or surroundings to take care of themselves.

We are emerging now from that age of rugged individualism and embarking upon an era of social responsibility and coopera-

tion. This Nation has suffered through 12 years of governmental supervision which ignored the rights of the weak and heaped benefits into the arms of the strong. We have reached the anomalous position of a nation that has a surplus of everything imaginable and yet finds a third of its population thrown out into the cold and into the bread line by the inequalities of its economic system. We see the wisdom of Shakespeare's statement when he said, "They are as sick who surfeit with too much as they who starve with nothing." With the ability to produce in superabundance in every line of industry and in every trade or profession, we find from 12 to 15 million people in this country out of employment and most of them through no fault of their own. Thrifty people, who have spent a lifetime at their job, find themselves in the bread line and facing a bleak old age with no provision possible through their own efforts to support themselves. This is partially the result of maldistribution in our economic system and partially the result of the elimination of jobs through machine improvements. Over 900,000 positions have been eliminated in manufacturing establishments; 350,000 in railroad transportation service; and over 800,000 in agriculture, and yet, with this decreased labor force, every branch of industry and agriculture produces more than before the elimination of these workers.

Within the last 10 years, many thousand banks have failed; fortunes have been swept away on the tide of the depression on every hand, and those who now are on the verge of 60 find themselves dependents through forces over which they had no control. With more of everything than all the people can use, we still have those among our citizenship who argue that the Government owes no responsibility to see to it that the unemployed man has a job, that the sick have medical aid, that those in tender youth are protected from the greed of industry which would blight their youth, that the aged are taken from the poorhouses and the bread lines, and that, generally, we accept the social responsibility of citizenship in the sense of a community of interests where greed will not be allowed to run riot and leave in its wake as wreckage a great portion of the citizenship of our country.

The President of the United States has led the way for a school of political thought which recognizes, as a social responsibility of government, the duty to help solve these problems which now confront our Nation. He has said that the gain that this Nation will make will be made in the name of 120,000,000 people, and he did not leave out of consideration in this gain which he hoped for America a solitary portion of our citizenship. His program has taken care of the unemployed; it has offered relief to the needy; it has given a spur to industry; it has pumped life into the veins of agriculture; it has fostered labor as no administration in the history of our Nation; and I am sure that in that program there must be some place for the furrowed faces and limp hands of those who have toiled almost three score year and ten and find themselves now, by the shortsightedness of the economic system of which we are a part, left as wreckage of a machine age, to beg on the streets or live out the few remaining years of their lives in the squalid conditions usually existing in our poorhouses. It is said that education is the debt that the present owes to the future, and certainly it may truly be said that old-age pensions constitute the debt that the present owes to the past. Old-age pensions constitute the debt that the present generations owe now and always will owe to those persons now living who have contributed to the building of this country; and the way we can best pay that debt to the builders of America is to care for them when they no longer can care for themselves.

Through our workmen's compensation laws in the various States, we recognize that each separate portion of the human body has a definite value. We say by law that when industry causes a workman to lose his hand such industry must pay a definite sum for this loss. We say that an eye is worth a definite amount, that a foot and each toe thereon has a definite separate value. It is not logical and sensible that, if we recognize the value of each separate portion of the human body, we should also recognize that when industry has used up all the energy and all the ability of the human frame and casts out the useless hulk, some provision should be made to take care of the used-up human body? In other words, if each separate portion of the human body has a value set by law, should not the whole human body, when exhausted and completely demolished insofar as service and ability to work are concerned, have some definite value placed thereon, and should not some provision be made for its care when it no longer can provide for itself?

Old-age pensions are not alone sponsored and favored by those who hope personally to profit, but they have been actively supported, first, by Franklin D. Roosevelt when, as Governor of New York, he signed the State's first old-age pension law, and even now the First Lady of the land is one of the foremost advocates of an old-age pension law for the District of Columbia. Gov. James M. Cox, of Ohio; Governor Lehman, of New York; Arthur Brisbane, the famous editorial writer; and many other prominent individuals, who will not need support through this means, are fostering this legislation as a necessary step in a social program which recognizes the responsibility on the strong to provide minimum necessities for the unfortunate who can make no provision for themselves.

This is not a radical or socialistic departure from past practices of government. Indeed, Kaiser Wilhelm had old-age pension laws for Germany, and no one would accuse the Kaiser of being unduly socialistic. Forty-one foreign nations have old-age protection, in one form or another, on a national basis. In this country, we have

left the matter of old-age pensions to the States, which is a very unsatisfactory way of handling a social need. Twenty-six States of the Union have old-age pension laws, but in practically all of these States, the requisites of citizenship are from 10 to 15 years' residence, and in a land of shifting population this leaves a great portion of our old people unable to qualify for State relief. It is no more expensive to collect the money on a national basis and thus relieve the States of the expense of operating separate organizations for dispensing such relief. If you ask me where we shall get the money, of course, there is provision made under the plan of the National Old Age Pension Association for a small portion of the incomes of those who earn to go to this fund to take care of it, but the answer always to all calls for social relief can be made in this manner, that wherever social needs exist, money should be collected where the money is and spent where the need exists. This is a safe principle in schools and in any other form of governmental aid to its various branches of citizenship.

May I summarize my remarks by saying that old-age pensions cost less in dollars and cents than poorhouses; that a government owes a duty to every portion of its citizenship which is unable to take care of itself, regardless of the cause of the inability; that in one way or another we shall pay this debt; that as a portion of our great program of social reform and cooperative effort in advancing the interests of our Nation as a whole, we cannot forget those who toil and labor as long as energy is left and who find themselves without a sufficient portion of this world's goods to tide them over the span between the age of 65 and the grave. This is a responsibility which no unselfish man or woman would fail to recognize. We are meeting our obligations to other portions of our citizenship who by misfortune have been deprived of those things which contribute to the fullness of life, and, as a part of the program of the "new deal" with its motive to make life fuller for America's citizenship, is it not entirely proper that we should add a certainty of contentedness and security to the declining years of life by saying to the aged of America that "when your hands can no longer work and your mind is clouded with age, we who have grasped the torch which you have carried will see to it that you are provided in an honorable way with at least the necessities of life"?

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2284. An act relating to contracts and agreements under the Agricultural Adjustment Act.

ADJOURNMENT

Mr. AYRES of Kansas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p.m.) the House adjourned until tomorrow, Wednesday, January 24, 1934, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE, RADIO, AND FISHERIES

(Wednesday, Jan. 24, 10:30 a.m.)

Hearings on H.R. 104.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Wednesday, Jan. 24, 10 a.m.)

Continuation of the hearing on H.R. 6836, to regulate motor carriers.

COMMITTEE ON NAVAL AFFAIRS

(Wednesday, Jan. 24, 10:30 a.m.)

Continuation of hearing on H.R. 6604.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(Wednesday, Jan. 24, 10:30 a.m.)

Hearings on H.R. 4223 and H.R. 4368.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

304. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 17, 1934, submitting a report, together with accompanying papers and illustration, on a preliminary examination of San Diego Harbor, Calif., authorized by the River and Harbor Act approved July 3, 1930 (H.Doc. 223); to the Committee on Rivers and Harbors and ordered to be printed with an illustration.

305. A communication from the President of the United States, transmitting certified copies of various Executive orders amending certain veterans' regulations which were

issued in accordance with the terms of title 1, Public, No. 2, Seventy-third Congress, "An act to maintain the credit of the United States Government" (H.Doc. 224); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. FULMER: Committee on Agriculture. H.R. 1517. A bill to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes; without amendment (Rept. No. 336). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. GREENWAY: A bill (H.R. 7235) to authorize the sale of land on the Camp McDowell Indian Reservation to the city of Phoenix, Ariz., for use in connection with its water-supply development, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H.R. 7236) to provide for the commemoration of the Battle of Big Dry Wash, in the State of Arizona; to the Committee on Military Affairs.

Also, a bill (H.R. 7237) to provide for the selection of certain lands in the State of Arizona for the use of the University of Arizona; to the Committee on the Public Lands.

By Mr. VINSON of Georgia: A bill (H.R. 7238) to amend section 5 of the act of March 2, 1919, generally known as "War Minerals Relief Statutes"; to the Committee on Mines and Mining.

By Mr. PEYSER: A bill (H.R. 7239) to amend the Criminal Code; to the Committee on the Judiciary.

By Mr. FORD: A bill (H.R. 7240) to authorize the Reconstruction Finance Corporation to adjust interest rates and maturities on obligations, arising under subsection (a) of section 201 of Emergency Relief and Construction Act of 1932, held by it, and for other purposes; to the Committee on Banking and Currency.

By Mr. HOWARD: A bill (H.R. 7241) to authorize the Secretary of the Interior to convey the lands and property used for the United State Indian School at Genoa, Nebr., to the State of Nebraska; to the Committee on Indian Affairs.

By Mr. McCLINTIC: A bill (H.R. 7242) to amend Public Law No. 2, Seventy-third Congress, entitled "An act to maintain the credit of the United States Government", and Public Law No. 78, Seventy-third Congress, entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposes"; to the Committee on World War Veterans' Legislation.

By Mr. HEALEY: A bill (H.R. 7243) to amend the Home Owners' Loan Act of 1933 by adding after section 4 thereof a new section; and to authorize home-mortgage loans, and to appropriate the sum of \$500,000,000 therefor, and for other purposes; to the Committee on Banking and Currency.

By Mr. CELLER: A bill (H.R. 7244) amending the Civil Service Retirement Act; to the Committee on the Civil Service.

Also, a bill (H.R. 7245) making income from United States securities subject to the income-tax laws of the United States; to the Committee on Ways and Means.

By Mr. MURDOCK: A bill (H.R. 7246) to define and fix the standard of value and to regulate the coinage; to the Committee on Coinage, Weights, and Measures.

By Mrs. McCARTHY: A bill (H.R. 7247) to place the production and marketing of wheat on a sound commercial

basis and to prevent unfair competition and practices in putting wheat into the channels of interstate and foreign commerce; to the Committee on Agriculture.

By Mr. FORD: A bill (H.R. 7248) to assure the persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching; to the Committee on the Judiciary.

By Mr. DUNCAN of Missouri: A bill (H.R. 7249) to amend the National Defense Act of June 3, 1916, as amended; to the Committee on Military Affairs.

By Mr. McSWAIN: A bill (H.R. 7250) to further provide for the national defense; to the Committee on Military Affairs.

By Mr. CELLER: A bill (H.R. 7251) to authorize the construction and use of an underground pneumatic-tube service; to the Committee on the Post Office and Post Roads.

By Mr. McCORMACK: A bill (H.R. 7252) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

By Mr. SMITH of Washington: A bill (H.R. 7253) to promote the health of the people of the United States and to encourage the dairy industry in the interest of the general welfare; to the Committee on Agriculture.

Also, a bill (H.R. 7254) to amend an act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine", approved August 2, 1886, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. HOWARD: A bill (H.R. 7255) for the relief of the Winnebago Indians residing in school district no. 17, Thurston County, State of Nebraska; to the Committee on Indian Affairs.

Also, a bill (H.R. 7256) for the relief of the Omaha Indians residing in school district no. 16, Thurston County, State of Nebraska; to the Committee on Indian Affairs.

By Mr. FITZPATRICK: A bill (H.R. 7257) authorizing the President of the United States to extend the time for awarding decorations to the participants of the World War; to the Committee on Military Affairs.

By Mr. JOHNSON of Oklahoma: A bill (H.R. 7258) to amend Public Law No. 2, Seventy-third Congress, entitled "An act to maintain the credit of the United States Government", and Public Law No. 78, Seventy-third Congress, entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1934, and for other purposes"; to the Committee on World War Veterans' Legislation.

By Mr. CELLER: A bill (H.R. 7259) to amend Public Law No. 2, Seventy-third Congress, entitled "An act to maintain the credit of the United States Government", and Public Law No. 78, Seventy-third Congress, entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1934, and for other purposes"; to the Committee on World War Veterans' Legislation.

By Mrs. McCARTHY: A bill (H.R. 7260) to place the wheat-producing industry on a sound economic basis, and to provide additional revenue for extraordinary expense incurred by reason of a national emergency; to the Committee on Agriculture.

By Mr. McLEOD: A bill (H.R. 7261) to amend Public Law No. 2, Seventy-third Congress, entitled "An act to maintain the credit of the United States Government", and Public Law No. 78, Seventy-third Congress, entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1934, and for other purposes"; to the Committee on World War Veterans' Legislation.

By Mr. GASQUE (by request): A bill (H.R. 7262) granting pensions and increases of pensions to certain soldiers, sailors, and nurses of the War with Spain, the Philippine insurrection, or the China relief expedition, and their widows

and dependents, and for other purposes; to the Committee on Pensions.

By Mr. JEFFERS: A bill (H.R. 7263) to provide redress for employees in the competitive classified service of the United States in matters of removal, reduction in rank or salary, suspension from duty, and other disciplinary actions; to amend section 6 of the act of August 24, 1912 (38 Stat. 555), and for other purposes; to the Committee on the Civil Service.

By Mr. CANNON of Wisconsin: Joint Resolution (H.J.Res. 238) authorizing the issuance of notes and silver to honor President Franklin Delano Roosevelt; to the Committee on Coinage, Weights, and Measures.

By Mr. CELLER: Joint resolution (H.J.Res. 239) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also joint resolution (H.J.Res. 240) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. TRUAX: Joint resolution (H.J.Res. 241) to prohibit members and employees of any national political committee from holding Government positions, and for other purposes; to the Committee on the Judiciary.

By Mr. McCORMACK: Joint resolution (H.J.Res. 242) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. CHAPMAN: Joint resolution (H.J.Res. 243) to provide for the replacement of certain markers in Arlington National Cemetery; to the Committee on Military Affairs.

By Mr. LUCE: Joint resolution (H.J.Res. 244) to make available to Congress the services and data of the Interstate Reference Bureau; to the Committee on the Library.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of South Carolina, memorializing Congress through the Federal Public Works Administration to undertake the development of the Santee-Cooper River hydroelectric and navigation project, and urging its relation to the national plan of recovery now under way; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARENS: A bill (H.R. 7264) for the relief of M. N. Lipinski; to the Committee on Claims.

Also, a bill (H.R. 7265) granting the consent of Congress to the State of Minnesota, Scott County and Carver County, in the State of Minnesota, to construct, maintain, and operate a bridge across the Minnesota River, at or near Jordan, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. BURKE of Nebraska: A bill (H.R. 7266) authorizing the Treasurer of the United States to refund to the Farmers' Grain Co., of Omaha, Nebr., income taxes illegally paid to the United States Treasury; to the Committee on Claims.

By Mr. DIES: A bill (H.R. 7267) to authorize the presentation of the Distinguished Service Cross to Robert H. Wyche; to the Committee on Military Affairs.

By Mr. DOCKWEILER: A bill (H.R. 7268) for the relief of Alice Shriner; to the Committee on Claims.

Also, a bill (H.R. 7269) granting a pension to Cora E. Kuderski; to the Committee on Pensions.

By Mrs. GREENWAY: A bill (H.R. 7270) for the relief of A. E. Shelley; to the Committee on Claims.

Also, a bill (H.R. 7271) for the relief of Mary F. Platten; to the Committee on Claims.

Also, a bill (H.R. 7272) for the relief of John W. Adair; to the Committee on Claims.

Also, a bill (H.R. 7273) for the relief of George Stoll and the heirs of Charles P. Regan, Marshall Turley, Edward Lannigan, James Manley, and John Hunter; to the Committee on Claims.

Also, a bill (H.R. 7274) for the relief of Edward P. Oldham, Jr.; to the Committee on Claims.

Also, a bill (H.R. 7275) granting a pension to Rafael Lugo; to the Committee on Pensions.

Also, a bill (H.R. 7276) for the relief of James P. Liakopoulos; to the Committee on Military Affairs.

Also, a bill (H.R. 7277) for the relief of Jessie Blout; to the Committee on Claims.

Also, a bill (H.R. 7278) for the relief of W. I. Johnson; to the Committee on the Public Lands.

By Mr. JOHNSON of Oklahoma: A bill (H.R. 7279) for the relief of Porter Bros. & Biffle and certain other citizens; to the Committee on Claims.

By Mr. KLOEB: A bill (H.R. 7280) for the relief of Paul Winters York; to the Committee on Military Affairs.

By Mr. KNIFFIN: A bill (H.R. 7281) granting an increase of pension to Nancy A. Welch; to the Committee on Invalid Pensions.

Also, a bill (H.R. 7282) granting a pension to Anson H. Longwith; to the Committee on Invalid Pensions.

Also, a bill (H.R. 7283) granting a pension to Sarah Miller; to the Committee on Invalid Pensions.

Also, a bill (H.R. 7284) granting an increase of pension to Jennie Kohn; to the Committee on Invalid Pensions.

By Mrs. McCARTHY: A bill (H.R. 7285) for the relief of Harry Elward Moore; to the Committee on Naval Affairs.

By Mr. McCORMACK: A bill (H.R. 7286) for the relief of George Luftman; to the Committee on Military Affairs.

By Mr. McLEOD: A bill (H.R. 7287) for the relief of Edward H. Cotcher; to the Committee on Military Affairs.

By Mr. MARSHALL: A bill (H.R. 7288) granting a pension to Marilla Andrews Buckwalter; to the Committee on Invalid Pensions.

By Mr. MURDOCK: A bill (H.R. 7289) for the relief of H. A. Soderberg; to the Committee on Claims.

By Mr. PEYSER: A bill (H.R. 7290) authorizing the President to present a gold medal to George M. Cohan; to the Committee on the Library.

By Mr. ROMJUE: A bill (H.R. 7291) authorizing the city of Hannibal, Mo., its successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near the city of Hannibal, Marion County, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. SABATH: A bill (H.R. 7292) for the relief of the Boston Store Co., a corporation, Chicago, Ill.; to the Committee on Claims.

By Mr. VINSON of Kentucky: A bill (H.R. 7293) granting an increase of pension to William Hargis; to the Committee on Pensions.

By Mr. WITHROW: A bill (H.R. 7294) granting a pension to William Edward Coughlin; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1733. By Mr. BUCKBEE: Petition of Winnebago County Civil Works Administration Work Committee, urging continuance of the Civil Works Administration program; to the Committee on Appropriations.

1734. By Mr. BURNHAM: Petition signed by 57 residents of San Diego County, Calif., urging the restoration to all veterans who were actually disabled in the Military or Naval Service their former benefits, rights, privileges, ratings, schedules, compensation, presumptions, and pensions heretofore enjoyed by them and existent prior to the enactment of the said Economy Act; to the Committee on Pensions.

1735. Also, petition signed by 308 residents of San Diego County, Calif., urging the restoration of pensions, hospitali-

zation, and care of veterans of the Spanish-American War as same existed prior to the enactment of Public, No. 2, Seventy-third Congress; to the Committee on Pensions.

1736. By Mr. DONDERO: Petition of the Detroit Federation of Post Office Clerks of Local No. 295, Detroit, Mich., demanding that all employees in the service of the Federal Government, who have 30 years or more service, be retired without prejudice or discrimination; to the Committee on the Post Office and Post Roads.

1737. By Mr. FITZPATRICK: Petition signed by Mr. and Mrs. T. Bullochus, of 2401 Fenton Avenue, Bronx, New York City, N.Y., and a number of other residents of the Bronx, urging Congress to stand behind the President on his monetary program; to the Committee on Coinage, Weights, and Measures.

1738. By Mr. GOODWIN: Letter dated January 19, 1934, from A. W. Brandt, commissioner, department of public works, division of highways, State of New York, making a plea for a further grant to the Highway Department of the State of New York, together with a folder from the American Association of State Highway Officials showing the necessity for such grant, and increasing the appropriations under the National Recovery Act to cover highways; to the Committee on Appropriations.

1739. By Mr. HILDEBRANDT: Resolution of the Associated Commercial Clubs of Black Hills, urging that appropriations be made, and provisions included, in the Budget presented to Congress for continuance of the operations and activities of the experiment farm at Newell, S.Dak., after July 1, 1934; to the Committee on Agriculture.

1740. By Mr. KENNEY: Petition of Mount Carmel Guild of Jersey City, N.J., registering protest of 120,000 Catholic women, members of the Mount Carmel Guild of the Diocese of Newark, N.J., protesting against the passage of House bill 5978, known as the "birth-control bill"; to the Committee on the Judiciary.

1741. Also, petition of the legislative committee of the Newark Diocesan Federation of Holy Name Societies, representing upward of 100,000 men, with headquarters in the city of Newark, State of New Jersey, protesting against the passage of House bill 5978, which is an amendment to the Criminal Code relating to birth control; to the Committee on the Judiciary.

1742. By Mr. KOPPLEMANN: Petition of the Veterans' Law Observance Union, of Meriden, Conn., protesting against existing regulations affecting war veterans' benefits and asking remedial legislation; to the Committee on World War Veterans' Legislation.

1743. By Mr. GLOVER: Resolution of Senator Marvin B. Norfleet, of Arkansas; to the Committee on Education.

1744. By Mr. KVALE: Petition of Grant County farmers, Grant County, Minn., favoring enactment of the Frazier bill and striking against the payment of either interest or principal of debts and against being refinanced until a rate of interest comparable to rates charged foreign governments be granted to farmers of the United States, and that debts be scaled down to compare to present farm-land values and commodity values as compared to the time loan was made; to the Committee on Banking and Currency.

1745. Also, petition of American Legion Post, Mora, Minn., endorsing American Legion legislative program; to the Committee on World War Veterans' Legislation.

1746. Also, petition of substitute letter carriers of Minneapolis, Minn., and members of branch no. 9, National Association of Letter Carriers, asking restoration of pay cut and relief of condition of substitute postal carriers; to the Committee on Ways and Means.

1747. By Mr. LINDSAY: Petition of Hawley & Hoops, confectionery manufacturers, New York City, opposing excise tax on candy; to the Committee on Ways and Means.

1748. Also, petition of Francis L. Pruyn, New York City, favoring passage of House bill 5632, the duck stamp bill; to the Committee on Agriculture.

1749. By Mr. RUDD: Petition of Hawley & Hoops, New York City, favoring the repeal of the excise tax on candy; to the Committee on Ways and Means.

1750. Also, petition of J. T. Matchett Co., Brooklyn, N.Y., favoring the repeal of the present excise tax on candy; to the Committee on Ways and Means.

1751. By Mr. SADOWSKI: Petition of the Detroit Board of Commerce, advocating relief from automobile taxation and encouragement of motor-car ownership; to the Committee on Ways and Means.

1752. Also, petition of the Michigan House of Representatives, asking aid and assistance to the bean growers of the State of Michigan; to the Committee on Agriculture.

1753. Also, petition of the Michigan House of Representatives, asking the enactment of the Sumners House bill 5950; to the Committee on the Judiciary.

1754. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, memorializing Congress to aid and assist industry, and particularly the small business man; to the Committee on Banking and Currency.

1755. Also, memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to establish uniform rules and regulations for the movement of all commodities in interstate commerce; to the Committee on Interstate and Foreign Commerce.

SENATE

WEDNESDAY, JANUARY 24, 1934

(Legislative day of Tuesday, Jan. 23, 1934)

The Senate met in executive session at 12 o'clock meridian, on the expiration of the recess.

EXECUTIVE REPORTS OF COMMITTEES

Mr. FLETCHER, from the Committee on Banking and Currency, reported favorably the nomination of George M. Brennan, of Illinois, to be Intermediate Credit Commissioner in the Farm Credit Administration, which was ordered to be placed on the calendar.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Stephen M. Driscoll, of St. Albans, Vt., to be collector of customs for customs collection district no. 2, with headquarters at St. Albans, Vt., in place of Fred B. Thomas, which was ordered to be placed on the calendar.

Mr. ASHURST, from the Committee on the Judiciary, reported favorably the nomination of Clinton R. Barry, of Arkansas, to be United States attorney, western district of Arkansas, to succeed William N. Ivie, whose term expired January 20, 1934, which was ordered to be placed on the calendar.

LEGISLATIVE SESSION

Mr. ROBINSON of Arkansas. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate resumed legislative session.

DISPOSITION OF USELESS PAPERS IN GOVERNMENT PRINTING OFFICE

The VICE PRESIDENT laid before the Senate a letter from the Public Printer, transmitting, pursuant to law, a list of papers on the files of the United States Government Printing Office that are not needed in the conduct of business and have no permanent value or historical interest, and also calling attention to a letter from the Public Printer of February 25, 1933, on the same subject, and asking for action looking toward the disposition of such useless papers, which was referred to a Joint Select Committee on the Disposition of Useless Papers.

The VICE PRESIDENT appointed Mr. HAYDEN and Mr. VANDENBERG the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram in the nature of a petition from Bernard Cash, commander Spanish War Veterans, Department of Utah, praying for the restoration of pension laws in force before the passage of the so-called "Economy Act", which was referred to the Committee on Appropriations.

He also laid before the Senate petitions of sundry citizens of the State of California, praying for the passage of legislation to restore to all veterans who were actually disabled in the military or naval service the benefits, rights, privileges, ratings, schedules, compensation, presumptions, and pensions enjoyed by them prior to the enactment of the so-called "Economy Act", which were referred to the Committee on Appropriations.

He also laid before the Senate the petition of E. B. and F. E. Willis, of Erie, Pa., favoring the passage of legislation remonetizing silver and improving the monetary system, which was ordered to lie on the table.

He also laid before the Senate a resolution of Local Union No. 8, United Brotherhood of Carpenters and Joiners, of Philadelphia, Pa., favoring the passage of the bill (H.R. 6976) to protect the currency system of the United States, to provide for the better use of the monetary gold stock of the United States, and for other purposes, which was ordered to lie on the table.

Mr. CAPPER presented a petition numerously signed by sundry citizens of Arkansas City, Wichita, the Veterans' Administration Home, Garden City, and Dodge City, all in the State of Kansas, praying for the abolition of the pay cut affecting Federal employees under the provisions of the so-called "Economy Act", which was referred to the Committee on Appropriations.

Mr. ROBINSON of Arkansas presented the following resolution of the Senate of the State of Arkansas, which was referred to the Committee on Appropriations:

Senate Resolution 4 (Introduced by Senator Norfleet)

Whereas there now exists a staggering indebtedness in the State of Arkansas, incurred for educational purposes of various characters, outstanding in secured and open-account form, outstanding against property of affected school districts, and taxpayers therein are required to pay same, causing an enormous drain of taxes and revenues; and

Whereas our Federal Government was organized along the lines of a free people and with the guaranty of those things dear to the hearts of freemen and necessary in the enjoyment of the privileges so extended, amongst which is the acquisition of an education provided by the State, and burdensome taxation now exists by reason thereof which, when coupled with other contemporary taxation derived from the public purse of the citizenship of the State, constitutes a measure of payment unbearable to all affected: Therefore be it hereby

Resolved by the senate in special session duly assembled in January 1934, That the Federal Government be hereby memorialized as a part of its \$16,000,000,000 program of public relief to assist the State program of education as to assisting payment of said indebtedness, so that posterity may be thus served while relieving the present distress occasioned by the burdensome indebtedness existing for educational purposes of the affected children of the State; and that a copy of this resolution be forwarded by the secretary of this senate to each Arkansas Representative and Senator in the National Congress.

Mr. CAREY presented a joint memorial of the Legislature of the State of Colorado, favoring the creation and establishment of an additional Federal land-bank district comprising the States of New Mexico, Colorado, and Wyoming, which was referred to the Committee on Banking and Currency.

(See joint memorial printed in full when presented by Mr. ADAMS on the 23d instant, p. 1128, CONGRESSIONAL RECORD.)

Mr. CAREY also presented the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Committee on Naval Affairs:

THE STATE OF WYOMING, OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,

State of Wyoming, ss:

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of Enrolled Joint Memorial No. 2, senate, of the special session of the Twenty-second Legislature of the State of Wyoming, being original Senate Joint Memorial No. 2, approved by the Governor on December 27, 1933, at 3:36 p.m. In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 4th day of January, A.D. 1934.

[SEAL]

A. M. CLARK, Secretary of State.
By C. J. ROGERS, Deputy.